

5-29-2012

American Bank v. Wadsworth Golf Construction Co Clerk's Record v. 9 Dckt. 39415

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Vol. 9 of 25

SUPREME COURT
OF THE
STATE OF IDAHO

AMERICAN BANK,

Plaintiffs-Cross Defendant-Appellant,

v.

WADSWORTH GOLF CONSTRUCTION COMPANY OF,
THE SOUTHWEST, etal.,

Defendant-Cross Defendant-Respondent-
Cross-Appellant,

and

TAYLOR ENGINEERING, INC., etal.,

Defendant-Third Party Plaintiff

and

BRN DEVELOPMENT, INC., etal,

Defendants-Cross-Defendants,

*Appealed from the District Court of the First Judicial District of
the State of Idaho, in and for the County of Kootenai.*

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TYLER J. ANDERSON
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39415

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VOL. 9

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CLERK DISTRICT COURT

Patty Bailey
DEPUTY

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11 *Attorneys for Defendant Wadsworth Golf*
12 *Construction Company of the Southwest,*
13 *The Turf Corporation, and Precision Irrigation, Inc.*

14 IN THE DISTRICT COURT OF THE FIRST JUDICIAL DISTRICT
15 OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF KOOTENAI

16 AMERICAN BANK, a Montana banking corporation,

17 Plaintiff,

18 vs.

19 BRN DEVELOPMENT, INC., an Idaho corporation,
20 BRN INVESTMENTS, LLC, an Idaho limited liability
21 company, LAKE VIEW AG, a Liechtenstein company,
22 BRN-LAKE VIEW JOINT VENTURE, an Idaho
23 general partnership, ROBERT LEVIN, Trustee for the
24 ROLAND M. CASATI FAMILY TRUST, dated June
25 5, 2008, RYKER YOUNG, Trustee for the RYKER
26 YOUNG REVOCABLE TRUST, MARSHALL
27 CHESROWN a single man, IDAHO ROOFING
28 SPECIALIST, LLC, an Idaho limited liability
company, THORCO, INC., an Idaho corporation,
CONSOLIDATED SUPPLY COMPANY, an Oregon
corporation, INTERSTATE CONCRETE & ASPHALT
COMPANY, an Idaho corporation, CONCRETE
FINISHING, INC., an Arizona corporation,
WADSWORTH GOLF CONSTRUCTION
COMPANY OF THE SOUTHWEST, a Delaware
corporation, THE TURF CORPORATION, an Idaho
corporation, POLIN & YOUNG CONSTRUCTION,
INC., an Idaho corporation, TAYLOR
ENGINEERING, INC., a Washington corporation,
PRECISION IRRIGATION, INC., an Arizona

NO. CV-09-2619

AFFIDAVIT OF STEPHEN A.
HARRELL

1 corporation and SPOKANE WILBERT VAULT CO., a
2 Washington corporation, d/b/a WILBERT PRECAST,

3 Defendants,

4 And

5 TAYLOR ENGINEERING, INC., a Washington
6 corporation,

7 Third-Party Plaintiff,

8 v.

9 ACI NORTHWEST, INC., an Idaho corporation;
10 STRATA, INC., an Idaho corporation; and
11 SUNDANCE INVESTMENTS, LLP, a limited liability
12 partnership,

13 Third-Party Defendants,

14 And

15 ACI NORTHWEST, INC., an Idaho corporation,

16 Cross-Claimant,

17 v.

18 AMERICAN BANK, a Montana banking corporation,
19 BRN DEVELOPMENT, INC., an Idaho corporation,
20 BRN INVESTMENTS, LLC, an Idaho limited liability
21 company, LAKE VIEW AG, a Liechtenstein company,
22 BRN-LAKE VIEW JOINT VENTURE, an Idaho
23 general partnership, ROBERT LEVIN, Trustee for the
24 ROLAND M. CASATI FAMILY TRUST, dated June
25 5, 2008, RYKER YOUNG, Trustee for the RYKER
26 YOUNG REVOCABLE TRUST, MARSHALL
27 CHESROWN a single man, THORCO, INC., an Idaho
28 corporation, CONSOLIDATED SUPPLY COMPANY,
an Oregon corporation, THE TURF CORPORATION,
an Idaho corporation, WADSWORTH GOLF
CONSTRUCTION COMPANY OF THE
SOUTHWEST, a Delaware corporation, POLIN &
YOUNG CONSTRUCTION, INC., an Idaho
corporation, TAYLOR ENGINEERING, INC., a
Washington corporation, and PRECISION
IRRIGATION, INC., an Arizona corporation,

Cross Claim Defendants.

1 STATE OF ARIZONA)
2):SS
3 COUNTY OF MARICOPA)

4 STEPHEN A. HARRELL, being first duly sworn, on oath, deposes and says:

5 That I am over the age of 18 years of age and competent to testify in this matter. That I
6 make this Affidavit upon my personal knowledge.

7 That I am the President of Wadsworth Golf Construction Company of the Southwest
8 (henceforth "Wadsworth").

9 That during April or May of 2006 I became aware that BRN Development, Inc.
10 (henceforth "BRN") was planning to construct a golf course near the existing Club at Black
11 Rock in Kootenai County, Idaho. On or about June 15, 2006 or shortly thereafter Wadsworth
12 received an Invitation to Bidders. A true and correct copy of the Invitation to Bidders is
13 attached hereto as Exhibit 1. (*Harrell deposition, Ex. 1*).
14

15 In response to the Invitation to Bidders I prepared plans and specifications, visited the
16 site, reviewed costs, and on or about July 17, 2006, on behalf of Wadsworth, I prepared and
17 executed a Contractor's Proposal, a true and correct copy of which is attached hereto as Exhibit
18 2. (*Harrell deposition, Ex. 2*).
19

20 After Wadsworth submitted its proposal to BRN, Wadsworth was selected as the
21 contractor and negotiations between Wadsworth and BRN commenced. During this process the
22 scope of work changed from being both golf course construction and mass excavation of both
23 within and beyond the golf course boundaries to being only golf course construction. ACI was
24 awarded a separate contract with BRN for the mass excavation. I believe that I received and
25 reviewed the first draft of the written contract between BRN and Wadsworth during August or
26 September 2006.
27
28

1 During the course of the negotiations regarding the terms of the final contract between
2 Wadsworth and BRN, BRN prepared a conditional letter of intent dated September 18, 2006 and
3 transmitted it to Wadsworth. Wadsworth executed the conditional letter of intent and returned it
4 to BRN. On behalf of BRN, Kyle Capps executed the conditional letter of intent on or about
5 October 10, 2006 and returned a fully executed copy of it to Wadsworth. A true and correct
6 copy of the conditional letter of intent is attached hereto as Exhibit 3. (*Harrell deposition, Ex.*
7
8 *4*).

9 The conditional letter of intent governed the relationship between Wadsworth and BRN
10 until a final contract was signed. On October 17, 2006 Wadsworth commenced work on the golf
11 course project after the execution of and in reliance upon the conditional letter of intent. During
12 October, November, and December of 2006 Wadsworth worked on the layout of various tees,
13 fairways, greens, and a lake. Wadsworth additionally did shaping work on holes six and seven
14 including supervising earth moving for holes four, five, six, seven, and related erosion control.
15 BRN desired to have the golf course substantially complete by the fall of 2008 to allow for
16 limited golf play at that time and to allow for full golf play during the spring of 2009. To meet
17 that construction schedule BRN requested that Wadsworth commence construction during the
18 fall of 2006 prior to finalization of the final contract. Had Wadsworth not commenced during
19 that time, the golf course would not have been substantially completed by the fall of 2008.

20 During October, 2006 I prepared the contract with one of our subcontractors, Precision
21 Irrigation, Inc. In connection with its preparation I attached to the contract various documents,
22 some of which were documents that I had received from BRN. A true and correct copy of the
23 Wadsworth contract with Precision Irrigation together with all documents attached is attached
24 hereto as Exhibit 4. One of the documents attached to the contract was the BRN prepared lien
25
26
27
28

1 waiver form. At times Precision Irrigation would utilize the BRN prepared lien waiver form and
2 at other times Precision Irrigation would utilize their own prepared lien waiver form. Attached
3 hereto as Exhibit 5 are copies of the Precision Irrigation prepared lien waiver forms as used on
4 the project. It is my understanding that the contract between Wadsworth and Precision
5 Irrigation did not require the use of any particular lien waiver form.
6

7 From mid December, 2006 through March, 2007, Wadsworth maintained the jobsite and
8 performed the sensitive erosion controls that were necessary both to preserve the work
9 performed to that time as well as to remain compliant with the various environmental
10 requirements. Erosion controls included installing, maintaining, and repairing silt fences,
11 erosion fabric, straw mulch, straw wattle rolls, and straw bails to control water flow on the
12 slopes of the golf holes to prevent sediment from getting into the water that was running off the
13 site. If erosion controls were not properly maintained and an event occurred which caused
14 sedimentation of off-site water ways and water sheds, such an occurrence would have had the
15 affect of shutting down the project until remedial action had taken place. This remedial action
16 would take months and even perhaps a year during which time no work could be performed on
17 the project. The Storm Water Prevention and Pollution Control Plan would be required to be
18 reviewed and a new plan could be required for submission and approval.
19
20
21

22 Prior to the execution of the final contract documents, Wadsworth submitted to BRN two
23 Applications and Certifications for Payment each accompanied by a Wadsworth prepared
24 Conditional Waiver and Release on Progress Payment. The first application for payment was
25 dated October 31, 2006 for the period ending October 31, 2006 in the total amount of
26 \$42,500.00 of which \$4,250.00 represented retainage, leaving an amount due of \$38,250.00.
27 BRN approved the application for payment and Wadsworth's Conditional Waiver and Release
28

1 on Progress Payments. BRN paid the application by check dated December 8, 2006. True and
2 correct copies of the first Application for Payment and Conditional Lien Waiver are
3 cumulatively attached hereto as Exhibit 6.
4

5 The second application for payment was originally made on December 26, 2006 in the
6 sum of \$177,862.50. In reviewing this application Mr. Capps of BRN believed that too much
7 was being billed for mobilization charges. Wadsworth and BRN agreed to reduce the
8 mobilization charge and a revised second application for payment was sent on December 31,
9 2006 in the sum of \$117,247.50. This revised second application was also accompanied by a
10 Conditional Waiver and Release on Progress Payment prepared by Wadsworth in the revised
11 sum of \$117,247.50. The application and conditional waiver were each received and approved
12 by Kyle Capps and was paid by BRN by a check dated January 24, 2007. True and correct
13 copies of this Application and Conditional Waiver are cumulatively attached hereto as Exhibit 7.
14
15

16 Thereafter having submitted proposed changes to the initial draft of the contract, BRN
17 prepared a proposed final draft of the contract and sent it to me by electronic mail on November
18 22, 2006. A second edition of the contract, together with contract general conditions, exhibit A
19 inclusions and exclusions, conditional lien waiver, application for payment, insurance
20 compliance statement, insurance exhibit and substance abuse program was sent to me via e-mail
21 on November 27, 2006. I do not recall if there were any changes made to the general contract
22 between November 22 and November 27, 2006. I reviewed the contract and materials, inserted
23 various documents to be inserted by Wadsworth, executed the contract during December 4, 5, or
24 6, 2006 and returned it to BRN Development. On or about December 26, 2006 I transmitted to
25 BRN five additional documents to be included within the contract being: (1) original executed
26 copy of performance and labor payment bond in contract amount of \$9,796,938.00; (2) safety
27
28

1 and health program; (3) Contract Exhibit D - substance abuse program; (4) unit price schedule
2 for making adjustments to the contract quantity; and (5) list of contract drawings and
3 specifications. I believe that the final contract was executed by BRN and delivered to me on or
4 about January 27, 2007. It appears from the contract documents that portions of the contract
5 documents were reprinted on January 26, 2007 and sent to me. While I do not recall, it appears
6 from the contract documents that I re-executed portions of the January 26, 2007 printed contract
7 documents. That a true and correct copy of the contract documents as they appear in the
8 Wadsworth files, of which I am the custodian thereof and which are kept in the normal and
9 regular course of business and is attached hereto as Exhibit 8. (*Harrell deposition, Ex. 66*).
10
11

12 The final contract provided that Wadsworth would present to BRN Payment Applications
13 and "as a prerequisite for any payment, subcontractors shall provide, in a form satisfactory to
14 owner, partial lien releases, claim waivers, and affidavits of payment from subcontractor, and its
15 subcontractors and suppliers of any tier, for the build portion of subcontractor's work." *at Ex. 6,*
16 *Pg. 4.* In the final contract Wadsworth is identified as the subcontractor.
17

18 The contract itself contained as exhibits a Pay Request form and a Conditional Lien
19 Waiver, Release and Subordination form. During the course of this project Wadsworth never
20 utilized the Pay Request form as set forth in the exhibit to the contract. Instead, in the twenty-
21 five Applications for Payment made by Wadsworth to BRN during the course of this project
22 from the first application dated October 31, 2006 to the last application dated November 30,
23 2008, Wadsworth utilized an industry standard AIA prepared Application and Certification for
24 Payment together with continuation statements and various supporting documents. This form
25 provided more detailed information than the Pay Request form attached as an exhibit to the
26 contract and it was accepted by BRN.
27
28

1 The first Wadsworth Application and Certification for Payment contained a Wadsworth
2 prepared Conditional Waiver and Release on Progress Payment form. This is a form that
3 Wadsworth uses in its ordinary course of business. It is prepared pursuant to Arizona Revised
4 Statute § 33-1008. It is my understanding that conditioned upon bank clearance of a check in
5 the sum of the application, that Wadsworth is acknowledging payment in full for work
6 performed to the date set forth in the form, excluding retention, pending modifications, and
7 changes or items furnished after the date used. It is my understanding that this document does
8 not effect lien priority in the event that a lien is recorded subsequent to the date of the document,
9 and that further, under the law no waiver of lien priority is effective unless given for
10 consideration other than mere payment of the amount then due and owing under the contract.
11

12
13 Wadsworth utilized its Conditional Waiver and Release on Progress Payment form in the
14 two applications for payments submitted to BRN prior to the final execution of the contract. As
15 the contract did not require use of the BRN Conditional Lien Waiver, Release and Subordination
16 as set forth as an exhibit to the contract, but merely required use of a partial lien release in a
17 form satisfactory to BRN, and as BRN made the payments under the first two applications for
18 payment, it was my understanding that the use of the Wadsworth prepared Conditional Waiver
19 and Release on Progress Payment form was acceptable to BRN.
20
21

22 Wadsworth made a total of twenty-five applications for payment. Wadsworth prepared
23 Conditional Waiver and Release on Progress Payment forms were used on seventeen of the
24 applications and were accepted by BRN. There were, however, five occasions when the BRN
25 prepared conditional lien waiver forms were utilized. On the remaining applications no lien
26 release forms were utilized.
27
28

1 The first time that a BRN prepared Lien Waiver form was used was on the third
2 Application for Payment. Wadsworth had submitted its Conditional Lien Waiver form with the
3 application but it contained an error in that the project was identified as the "Ridge Creek Golf
4 Course" instead of the "Black Rock North Golf Course." BRN submitted to me its lien waiver
5 form and I signed it with the understanding that the only difference between the two was the
6 correction of the name of the project. True and correct copies of these two lien waiver forms are
7 cumulatively attached hereto as Exhibit 9.
8

9 The second time a BRN prepared lien waiver form was used was in the sixth application
10 for payment. Wadsworth apparently neglected to enclose its Conditional Lien Waiver form with
11 the application. BRN then submitted to me its lien waiver form and I signed it with the
12 understanding that there was no difference between it and the Wadsworth prepared lien waiver
13 form.
14

15 The three other times that a BRN prepared lien waiver form was utilized was when the
16 amount that BRN proposed to pay towards the application was different than the amount of the
17 application itself. For example, the ninth application for payment was made on September 30,
18 2007 in the sum of \$1,187,951.44. BRN proposed to pay only \$1,000,000.00 of that application
19 and prepared its form in that amount. I executed that Conditional Lien Release form with the
20 understanding that the only difference between it and the Wadsworth Conditional Lien Release
21 form was in the amount.
22

23 At no time when I either signed or authorized the signature of a BRN prepared
24 conditional lien release form was I intending to waive or effect Wadsworth lien priority in the
25 event that Wadsworth were forced to subsequently record a lien. I never understood that there
26
27
28

1 was a possibility that execution of the BRN prepared lien release form could effect Wadsworth's
2 lien priority and I never knowingly intended to waive the Wadsworth lien priority.

3 Wadsworth substantially completed construction of the golf course on October 20, 2008
4 with final completion occurring on or about November 21, 2008. According to the records of
5 Wadsworth, the principal amount owing to it by BRN under the golf construction contract is
6 \$2,329,439.72. It is my understanding that the BRN records show that it is indebted to
7 Wadsworth under the golf course construction contract in the sum of \$2,329,439.74.
8

9 The last payment that Wadsworth received from BRN under the golf course construction
10 contract was \$1,000,000.00 received on or about October 30, 2008. Since that date Wadsworth
11 has received no further payments from BRN and the principal sum of \$2,329,439.72, together
12 with accrued interest in the sum of \$477,118.32 calculated to September 15, 2010, with interest
13 accruing thereafter at the rate of \$765.84 per day, together with costs and attorney's fees is now
14 owing by BRN to Wadsworth.
15
16

17 On January 6, 2009 Wadsworth caused a Notice of Claim of Lien to be recorded against
18 the BRN real property. A true and correct copy of the Notice of Claim of Lien showing
19 recordation is attached hereto as Exhibit 10.
20

21 The entire Black Rock North Golf Course development was intended to be developed as a
22 high-end residential community. The entire development consists of approximately one
23 thousand acres. The Wadsworth constructed golf course provides benefit to the entire project.
24 The Wadsworth Claim of Lien is upon the entire development. Attached hereto as Exhibit 11 is
25 a true and correct copy of the Black Rock North conceptual master plan depicting the location of
26 the golf course and the remainder of the property.
27
28

1 In connection with the Wadsworth application for payments and issuance of conditional
2 lien waivers at no time did Wadsworth receive anything in addition to the amounts then owing
3 under the contract. With regard to the five conditional lien waivers which utilized the BRN
4 prepared forms the following is a summary of the amounts of the applications and the amounts
5 paid:
6

Application Amount	Amount Paid
\$ 42,334.18	\$ 42,334.18
\$ 719,304.62	\$ 719,304.62
\$1,187,951.44	\$ 1,000,000.00
\$ 870,484.18	\$ 58,435.64
\$ 242,430.86	\$ 242,430.86

7
8
9
10
11
12 Other than dates and amounts, the language used in each of the Wadsworth prepared
13 conditional lien waivers was identical. Likewise, other than the dates and amounts, the language
14 used in each of the BRN prepared conditional lien waivers was identical.
15

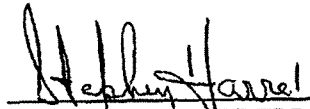
16 Of the \$2,329,439.72 in principal now owing to Wadsworth by BRN under the golf
17 course construction contract, \$473,258.04 represents the amount retained from each progress
18 payment.
19

20 From December 26, 2007 to October 30, 2008 BRN made approximately twenty-three
21 progress payments to Wadsworth. From each progress payment BRN would hold as retainage
22 five percent of the payment application amount, excluding amounts representing costs pertaining
23 to stored materials.

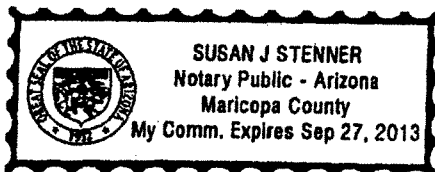
24 Wadsworth obtained an Idaho Public Works contractor's license from the Idaho Public
25 Contractor's License Board on December 26, 2000 which expired on January 31, 2007. A true
26 and correct copy of that license conformation is attached hereto as Exhibit 12. In addition,
27 Wadsworth received a Contractor's License from the Idaho Contractor's Board on January 9,
28

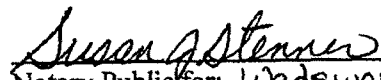
1 2007 which expires on January 9, 2011. A true and correct copy of that license conformation is
2 attached hereto as Exhibit 13 and by this referenced incorporated herein.

3 DATED this 12 day of November, 2010.

4
5 
6 STEPHEN A. HARRELL
7

8 SUBSCRIBED AND SWORN to before me this 12th day of November, 2010.



13
14
15 
16 Notary Public for: Wadsworth Golf
17 Residing at: 2525 S 195th Dr.
18 My Commission expires: 9-27-2013
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I certify that on this 12th day of November, 2010, I caused a true and correct copy of
AFFIDAVIT OF STEPHEN A. HARRELL to be forwarded, with all required charges prepaid,
by the method(s) indicated below, to the following person(s):

Nancy L. Isserlis ☒ U.S. Mail
Elizabeth A. Tellessen ☐ Hand Delivered
Winston & Cashatt ☐ Overnight Mail
Bank of America Financial Center ☐ Via Fax: 208-765-2121
601 W. Riverside, Suite 1900
Spokane, Washington 99201-0695
Attorney for Plaintiff

Randall A. Peterman ☒ U.S. Mail
C. Clayton Gill ☐ Hand Delivered
Moffatt Thomas Barrett Rock & Fields Chtd. ☐ Overnight Mail
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Boise, Idaho 83702
*Counsel for American Bank's Claim on their
Extended Title Policy No. 6001-17833
(Transnation)*

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Cory J. Rippee ☒ U.S. Mail
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Boise, ID 83701-1368 ☐ Overnight Mail
Attorney for Sundance Investments, LLP ☐ Via Fax: 208-334-8542

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2 Layman, Layman & Robinson, PLLP
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4 Spokane, Washington 99202
5 *Counsel for BRN Development, Inc.,*
6 *BRN Investments, LLC, Lake View AG,*
7 *Robert Leven, Trustee for the Roland M.*
8 *Casati Family Trust, Marshall Chesrown and*
9 *Ryker Young, Trustee of the Ryker Young*
10 *Revocable Trust*

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☐ Hand Delivered
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☐ Via Fax: 509-624-2902

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9 Davidson Backman Medeiros, PLLC
10 1550 Bank of America Center
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17 *Counsel for Taylor Engineering, Inc.*

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☐ Via Fax: 509-458-2728

17 Maggie Y. Lyons
18 Resolve Financial Group
19 3731 North Ramsey Road, Suite 110B
20 Coeur d'Alene, Idaho 83815
21 *Receiver*

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21 Wetzel Wetzel & Holt, P.L.L.C.
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24 *Attorney for Third Party Defendant ACI*

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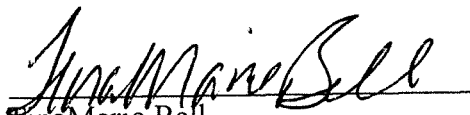

Tina Marie Bell

EXHIBIT 1

EXHIBIT 1

I. INVITATION TO BIDDERS

DATE: June 15, 2006

PROJECT NAME: 18 Hole Golf Course Construction Project at Black Rock North

SEALED BIDS are solicited by Black Rock Development, Inc. (Owner)

NATURE OF THE PROJECT: This project includes the mass construction of 18 golf holes, practice green with associated construction haul roads and storm drainage, three PVC lined ponds, golf course irrigation, golf course planting and erosion control. The project site is across from the existing Club at Black Rock on Loff's Bay Road in Kootenai County, ID. Major work is summarized below:

- Construction of golf holes #2 thru #7 with Construction Haul Roads A, R, and Q on the "Panhandle" Site including mass grading and fine grading of the golf holes, irrigation, planting, storm drainage and erosion control.
- Excavation, embankment, PVC lining, earth cover and storm drainage structures for three ponds.
- Construction of golf holes #1, #8, #9, #10 thru #18 with Construction Haul Roads I and B and on the 'Main' Site including mass grading and fine grading of the golf holes, irrigation, planting, storm drainage and erosion control.
- Erosion control of all disturbed areas including but not limited to silt fence, riprap outlets/ditches, seeding, mulching, gravel entrances, sediment ponds and straw bales.

BIDS will be received by Taylor Engineering, Inc., 106 West Mission Avenue, Spokane, Washington 99201 until the closing date and time listed below. A public bid opening will not be held. Black Rock Development, Inc. will review the bids and select a Contractor. A Mandatory Pre-bid Meeting will be held for all Prime Contractors on June 23, 2006 at 9:00 a.m. PDT at the Worley Fire District Station #6 located ¼ mile past the main entrance to the Club at Black Rock on Loff's Bay Road in Kootenai County, ID.

CLOSING DATE / TIME:

July 7, 2006
10:00 A.M.

→ **EACH PROPOSAL SHALL BE SEALED** in an opaque envelope, which has been clearly marked in the upper left corner with the words "Bid Proposal By", followed by the name and address of the bidder. In the lower left corner of the envelope, the bidder shall fill in the bid opening date, closing time, and name of the project.

NO BIDDER may withdraw its bid after the time set for the opening thereof, unless the award of the contract is delayed for a period exceeding sixty (60) calendar days. However, the Owner may reject any or all bids. A Notice of Award will be sent to the apparent successful bidder, who within five (5) working days must enter into a contract with the Owner.

BONDS: A Bid Bond will not be required on the project. Performance and Payment Bonds in the amount of one hundred percent of the contract amount will be required. See Instructions to Bidders.

EXHIBIT 2

1874

III. CONTRACTOR'S PROPOSAL

July 17, 2006

Bid for: 18 Hole Golf Course Construction Project

To: Black Rock Development, Inc.

912 Northwest Boulevard, P.O. Box 3070

Coeur d'Alene, ID 83816

Attn: _____

The undersigned Bidder (also referred to as "Contractor") hereby agrees, upon acceptance of its Bid, to execute the Agreement and to obtain and maintain the required insurance and Payment and Performance Bonds, according to the prescribed forms, for performing and completing the Work within the time stated, in consideration of the Contract Price. Contractor hereby further agrees to provide all necessary labor, superintendence, machinery, equipment, tools, materials, services and other means of construction to complete all the Work upon which it bids, in full compliance with the Contract Documents (as defined in the Instructions to Bidders), and all Laws and Regulations.

Contractor represents and warrants as follows:

1. That Contractor (i) has carefully examined the Site and surrounding location where the Work will be performed, (ii) has carefully considered the availability of personnel, equipment and materials, the Laws and Regulations which apply to the methods, manner and means whereby it will carry out the Work, (iii) has otherwise followed carefully the Instructions to Bidders furnished to the Contractor in connection with the solicitation of Bids; (iv) has attended, or its authorized representative has attended the pre-bid conference; (v) has received, read and understood all Contract Documents, including Bidding Documents, prior to the submission of its Bid; and
2. That Contractor: (i) has carefully examined and understands the Contract Documents, including the Drawings and Specifications, if any; (ii) has followed the

III. CONTRACTOR'S PROPOSAL

July 17, 2006

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The undersigned Bidder (also referred to as "Contractor") hereby agrees, upon acceptance of its Bid, to execute the Agreement and to obtain and maintain the required insurance and Payment and Performance Bonds, according to the prescribed forms, for performing and completing the Work within the time stated, in consideration of the Contract Price. Contractor hereby further agrees to provide all necessary labor, superintendence, machinery, equipment, tools, materials, services and other means of construction to complete all the Work upon which it bids, in full compliance with the Contract Documents (as defined in the Instructions to Bidders), and all Laws and Regulations.

Contractor represents and warrants as follows:

1. That Contractor (i) has carefully examined the Site and surrounding location where the Work will be performed, (ii) has carefully considered the availability of personnel, equipment and materials, the Laws and Regulations which apply to the methods, manner and means whereby it will carry out the Work, (iii) has otherwise followed carefully the Instructions to Bidders furnished to the Contractor in connection with the solicitation of Bids; (iv) has attended, or its authorized representative has attended the pre-bid conference; (v) has received, read and understood all Contract Documents, including Bidding Documents, prior to the submission of its Bid; and
2. That Contractor: (i) has carefully examined and understands the Contract Documents, including the Drawings and Specifications, if any; (ii) has followed the

Instructions to Bidders with respect to any apparent conflicts in the Contract Documents and agrees that the Contract Documents are sufficient in design and in detail for the performance and construction of the Work described therein; (iii) has proposed a Bid which is correct and constitutes a valid, binding offer, which shall remain open for at least the period specified in the Instructions to Bidders or related correspondence; (iv) shall perform each element of the Work under the terms and conditions of the Bidding Documents in consideration of the Bid Prices provided by Contractor and its potential subcontractors for each element of the Work; (v) agrees that this Bid will form a legally binding contract between the parties upon acceptance by Company; and

3. That Contractor (i) is duly qualified to carry on its business in the state where the Work is situated; (ii) is in possession of all licenses, permits and certificates of authority necessary to commence and to complete the Work in accordance with the Bidding Documents; (iii) is fully qualified and has experience in performing work of the same type as the Work covered by the Bidding Documents; and (iv) is able to provide sufficient competent and qualified laborers, materials and equipment to complete the Work in the time required by the Bidding Documents; and

That Contractor is able to furnish, if it is awarded the Contract, (i) Payment and Performance Bonds for the entire Contract Price, (ii) policies for all required insurances; and (iii) the executed Agreement with all the Contract Documents without exception. Contractor's Contract Price expressly includes all duties and obligations under the Agreement and the Contract Documents without exception.

Contractor further represents and warrants that the complete name and form (partnership, proprietorship, corporation or limited liability company) of its business organization entering into this document is as follows:

Wadsworth Golf Construction Company of the Southwest - Corporation

(If a partnership, include the names of all general partners) which is organized under the State of Delaware. The address of Contractor's principal place of business is as follows:

Street address: 600 North 195th Avenue

City/State/Zip: Buckeye, AZ 85326

telephone: 623.853.9100

telefax: 623.853.0217

e-mail address: southwest@wadsworthgolf.com

The undersigned agrees, if awarded the Contract, to timely commence the Work after a written Notice to Proceed, and to substantially complete all Work within

_____ (____) days after the date of the written Notice to Proceed and then finally and actually complete all Work to Company's satisfaction within _____ (____) days after substantial completion.

Contractor has carefully examined and accurately completed this Contractor's Proposal and agrees that, if and when accepted by Company, this Contractor's Proposal shall be binding and shall form part of the Agreement between Company and Contractor.

Contractor: Wadsworth Golf Construction Company of the Southwest

Address: 600 North 195th Avenue
Buckeye, AZ 85326

By:

Its:

Stephen Harrell
Stephen Harrell, President

Attest:

B. A. A.
(Seal, if Bidder is a corporation)

Receipt of Addenda or errata to Contract Documents Acknowledged:

Addendum No. 1 dated 06.29.06

Initials SH

Addendum No. 2 dated 07.10.06

Initials SH

Addendum No. 3 dated 07.12.06

Initials SH

Addendum No. 4 dated 07.14.06

Initials SH

Addendum No. 5 dated _____

Initials _____

BID FORM

The itemized quantities listed herein are to be used for the purposes of comparing bids and for use in approving progress payments. The final amount to be paid to the Contractor for the Work shall be the TOTAL BASE BID as shown on this Bid Form.

Schedule A – General Superintendence and Site Preparation

<u>Item</u>	<u>Quant.</u>	<u>Unit</u>	<u>Total Amount</u>
A-1 Mobilization, Permits and Bonds	1	L.S.	\$ <u>762,320.00</u>
A-2 Construction Facilities and Temporary Controls	1	L.S.	\$ <u>377,500.00</u>
A-3 Demolition and Removal of Existing Structures	1	L.S.	\$ <u>85,000.00</u>
A-4 Temporary Traffic Control	1	L.S.	\$ <u>75,000.00</u>
A-5 Clearing, Grubbing and Site Preparation	1	L.S.	\$ <u>615,000.00</u>

Subtotal Schedule A – Base Bid \$ 1,914,820.00

Schedule B – Mass Grading, Site Storm Drainage and Erosion Control

<u>Item</u>	<u>Quant.</u>	<u>Unit</u>	<u>Total Amount</u>
B-1 Mass Grading – Main Site, Complete	1	L.S.	\$ <u>4,423,750.00</u>
B-2 Mass Grading – Panhandle Site, Complete	1	L.S.	\$ <u>1,306,250.00</u>
B-3 Construction Haul Road Surfacing - (6" Ballast)	1	L.S.	\$ <u>609,000.00</u>
B-4 Site Storm Drainage, Complete	1	L.S.	\$ <u>1,083,500.00</u>
B-5 Three Site Ponds – 30 mil PVC Liner, Complete	1	L.S.	\$ <u>229,570.00</u>
B-6 Erosion Control	1	L.S.	\$ <u>1,008,550.00</u>

Subtotal Schedule B – Base Bid \$ 8,660,620.00

Schedule C – 18 Hole Golf Course Construction

<u>Item</u>	<u>Quant.</u>	<u>Unit</u>	<u>Total Amount</u>
C-1 Golf Course Supervision and Coordination	1	L.S.	\$ 196,000.00
C-2 Sand Cap & Topsoil Management	1	L.S.	\$ 1,470,070.00
C-3 Golf Course Rough Shaping	1	L.S.	\$ 297,060.00
C-4 Golf Course Drainage	1	L.S.	\$ 549,010.00
C-5 Greens Construction	1	L.S.	\$ 864,130.00
C-6 Tee Construction	1	L.S.	\$ 498,270.00
C-7 Bunker Construction	1	L.S.	\$ 387,055.00
C-8 Cart Path Construction	1	L.S.	\$ 1,094,325.00
C-9 Golf Course Finish Shaping and Contouring	1	L.S.	\$ 212,990.00
C-10 Rock Picking	1	L.S.	\$ 71,200.00
C-11 Seed Bed Preparation	1	L.S.	\$ 320,045.00
C-12 Soil Amendment / Fertilizer	1	L.S.	\$ 44,840.00
C-13 Grassing Per Plans	1	L.S.	\$ 806,875.00
C-14 Rock Retaining Walls	1	L.S.	\$ 132,870.00
C-15 Golf Course Irrigation System, Complete	1	L.S.	\$ 2,599,470.00
C-16 Golf Course Irrigation Pumping Facility	1	L.S.	\$ 223,815.00

Subtotal Schedule C – Base Bid \$ 9,768,025.00

TOTAL BASE BID (Schedule A + Schedule B + Schedule C): \$ 20,343,465.00

BID ALTERNATE #1

The Undersigned proposes to modify the Base Bid by deleting from, adding to or otherwise modifying the Work as further described by the Contract Documents for the following stipulated sums:

ALT #1 Grassing – Sod All Fairways & Rough Areas 1 L.S. \$ 662,895.00

Wadsworth Golf Construction Company of the Southwest

UNIT PRICES FOR ADJUSTMENTS

The following Unit Prices as they are further described by the Contract Documents may govern additions and / or deductions required during the course of the work from the base bid; These prices reflect total costs for the item including but not limited to equipment, materials, labor, taxes, overhead, profit, complete.

Mass Grading, Site Storm Drainage and Erosion Control

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
Earthwork and Surfacing		
1. Clearing and Grubbing	Ac.	\$ 3,700.00
2. Mass Grading - General Excavation	C.Y.	\$ 2.85
3. Mass Grading - Rock Excavation	C.Y.	\$ 7.30
4. Trench Rock Excavation	C.Y.	\$ 100.00
5. Construction Haul Road Surfacing (6" Type 1 Ballast)	S.Y.	\$ 3.80
6. Over Excavation of Soft Subgrade	C.Y.	\$ 10.00
7. Geotextile Grid for Soil Stabilization	S.Y.	\$ 2.50
8. Import and Place Ballast for Soft Subgrade	C.Y.	\$ 10.00
Site Storm Drainage		
9. 12" CMP Culvert	L.F.	\$ 27.00
10. 18" CMP Culvert	L.F.	\$ 33.00
11. 24" CMP Culvert	L.F.	\$ 40.00
12. 12" Storm Sewer	L.F.	\$ 24.00
13. 18" Storm Sewer	L.F.	\$ 30.00
14. 24" Storm Sewer	L.F.	\$ 37.00
15. Type 1L Catch Basin	Ea.	\$ 810.00
16. Type 2 Catch Basin	Ea.	\$ 1,595.00
Temporary Erosion Control		
17. Riprap Lined Channel	L.F.	\$ 18.00
18. Riprap Outlet	C.Y.	\$ 73.00
19. Rock Check Dam	Ea.	\$ 370.00
20. Silt Fence	L.F.	\$ 2.85
21. Straw Bale Check Dam	Ea.	\$ N / A
22. Rock Construction Entrance	Ea.	\$ 970.00
23. Erosion Control Mat	S.Y.	\$ 1.70
24. Seeding - Roadside Ditches, Swales & Sed. Ponds	Ac.	\$ 898.00
25. Seeding - Cut / Fill Slopes & Non Golf Areas	Ac.	\$ 864.00
Site Ponds		
26. 30 mil. PVC Liner - Purchase & Install, complete	S.Y.	\$ 5.58

18 Hole Golf Course Construction

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
General		
1. Purchase, Place and Maintain Orange Fencing	L.F.	\$ 1.75
Sand Cap and Topsoil Management		
2. Strip & Stockpile Topsoil in Designated Areas	C.Y.	\$ 2.00
3. Haul & Spread Sandcap 8" to Compact to 6" in Fairways	C.Y.	\$ 27.08
4. Haul & Spread Topsoil 8" to Compact to 6" In Rough Areas	C.Y.	\$ 3.00
Golf Course Shaping		
5. Shaping & Contouring In-Place Material to Plans and as Directed for Positive Drainage	C.Y.	\$ Lump Sum
Golf Course Drainage		
6. 4" Perforated HDPE (Fairways, only)	L.F.	\$ 7.00
7. 4" Solid HDPE	L.F.	\$ 6.00
8. 6" Solid HDPE	L.F.	\$ 8.50
9. 8" Solid HDPE	L.F.	\$ 10.00
10. 10" Solid HDPE	L.F.	\$ 13.00
11. 12" Solid HDPE	L.F.	\$ 16.50
12. 18" Solid HDPE	L.F.	\$ 28.20
13. 24" Solid HDPE	L.F.	\$ 35.50
14. 8" Round Drain Inlet	Ea.	\$ 275.00
15. 12" Round Drain Inlet	Ea.	\$ 390.00
16. 4" Perforated Pipe (French Drains)	L.F.	\$ 7.00
17. Cart Path Inlet (Inset in Path)	Ea.	\$ 390.00
Greens Construction		
18. Greens Construction including Drainage, Gravel Blanket, Rootzone Mix and Interface	S.F.	\$ 4.64
Tee Construction		
19. Tee Construction including 6" Rootzone Mix	S.F.	\$ 2.05

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
Bunker Construction		
20. Shape, Edge, Hand Prep. & Install Drainage	S.F.	\$.50
21. Purchase & Place Sand Mat on Steep Faces	S.F.	\$ 1.35
22. Purchase & Place Sand and Spread 6" Deep To Compact to 4"	S.F.	\$ 1.68
23. Fabric Liner - Areas not Covered w/ Sand Mat	S.F.	\$.72
Cart Path Construction		
24. Subgrade Preparation, Compaction and Backfill	L.F.	\$ 2.00
25. 8' Wide by 4" Th. Concrete Cart Path w/ Color	L.F.	\$ 28.80
26. 12' Wide by 4" Th. Concrete Cart Path w/ Color	L.F.	\$ 42.55
27. 4" by 4" Concrete Curb with Color	L.F.	\$ 5.35
Finish Shaping and Contouring		
28. Final Shaping & Contouring following Irrigation Drainage and Cart Path	Ac.	\$ 1,000.00
Rock Picking		
29. Mechanical and Hand Pick for Turf Areas incl. Subgrade	Ac.	\$ 650.00
Seed Bed Preparation		
30. Prepare Intended Turf Areas for Seed & Sod	Ac.	\$ Lump Sum
Soil Amendment / Fertilizer		
31. Furnish & Apply Materials According to Specs.	Ac.	\$ 400.00
Grassing		
32. Tees - Pencross Bentgrass	S.F.	\$.10
33. Greens - L93 Bentgrass	S.F.	\$.10
34. Fairways - Jacklin 5 Steps Above Bluegrass With 10% Perennial Rye	Ac.	\$ 4,700.00
35. Formal Roughs - Jaclin 5 Steps Above Bluegrass With 10% Perennial Rye	Ac.	\$ 4,700.00
36. Native Roughs - Match Existing Native Grass	Ac.	\$ 4,800.00
37. Purchase and Place Sod Excluding Greens	Ac.	\$ 16,510.00

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
Rock Retaining Walls		
38. Construct Rock Ret. Walls with Existing Rock	F.F.	\$ 10.75
Irrigation Heads		
39. Rain Bird #700 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ 285.00
40. Rain Bird #700 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ 295.00
41. Rain Bird #750 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ 295.00
42. Rain Bird #750 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ 305.00
43. Rain Bird #500 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ 205.00
44. Rain Bird #500 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ 210.00
45. Rain Bird #550 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ 215.00
46. Rain Bird #550 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ 220.00
47. Rain Bird 351B Series. Rotor w/ Swing Joint and 2" SCH 40 PVC Lateral Piping	Ea.	\$ 115.00
48. Rain Bird 351B Series. Rotor w/ Swing Joint and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ 120.00
Irrigation Components		
49. Toro P220, 1-1/2" Plastic Remote Control Valve Riser Assembly and Valve Box	Ea.	\$ 125.00
50. Rain Bird PAR + ES 72 Station Satellite Unit, Plastic Pedestal Grounding and Concrete Pad	Ea.	\$ 3,815.00
51. Rain Bird - 8 Station OSM (Complete w/ Switches)	Ea.	\$ 945.00
52. Rain Bird #5NP 1" Quick Coupling Valve, Swing Joint Assembly and Valve Box	Ea.	\$ 90.00
53. 4" Manual Blow off Valve Assembly & Box	Ea.	\$ 970.00

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
54. 2" Crispin #PL10A Air Relief Valve, Swing Joint Assembly and Box	Ea.	\$ 665.00
55. 2" Drain Valve Assembly and Box	Ea.	\$ 405.00
56. 2" Lateral Isolation Valve, Box & Riser Assembly installed on Distribution Piping	Ea.	\$ 150.00
Irrigation Gate Valve and Box		
57. 4" Isolation Gate Valve and Box	Ea.	\$ 250.00
58. 6" Isolation Gate Valve and Box	Ea.	\$ 290.00
59. 8" Isolation Gate Valve and Box	Ea.	\$ 445.00
60. 10" Isolation Gate Valve and Box	Ea.	\$ 710.00
61. 12" Isolation Gate Valve and Box	Ea.	\$ 915.00
62. 16" Isolation Gate Valve and Box	Ea.	\$ 3,790.00
Irrigation Pipe and Fittings		
63. 2" SCH 40 PVC Lateral Piping and Fittings	L.F.	\$ Incl w/ Head
64. 2" SCH 40 PVC Lateral Piping and Fittings (Purple)	L.F.	\$ Incl w/ Head
65. 2-1/2" SCH 40 PVC Lateral Piping and Fittings	L.F.	\$ Incl w/ Head
66. 2-1/2" SCH 40 PVC Lateral Piping and Fittings (Purple)	L.F.	\$ Incl w/ Head
67. 6" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 7.05
68. 6" PVC Class 200 Distribution Piping and Fittings (Purple)	L.F.	\$ 7.15
69. 8" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 10.40
70. 8" PVC Class 200 Distribution Piping and Fittings (Purple)	L.F.	\$ 10.95
71. 10" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 14.95
72. 12" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 20.50
73. 16" PVC C905 DR18 Distr. Piping and Fittings	L.F.	\$ 43.90
74. 27" SDR 35 PVC Intake Piping	L.F.	\$ 93.85
Irrigation Electrical / Communications		
75. #14-1 UF UL Control Wire	L.F.	\$ Incl w/ Head
76. #12-1 UF UL Common Wire	L.F.	\$ Incl w/ Head
77. #8-2 UF UL Wire with Ground	L.F.	\$ 2.15
78. #6-2 UF UL Wire with Ground	L.F.	\$ 2.50
79. #2-2 UF UL Wire with Ground	L.F.	\$ 3.00
80. #2 - 1/0 UF UL Wire with Ground	L.F.	\$ N/A
81. #8 Bare Copper Ground	L.F.	\$.35

Wadsworth Golf Construction Company of the Southwest

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
82. Rain Bird Communication Cable	L.F.	\$.25
83. Weather Station Communication Cable	L.F.	\$.80
84. Weather Station, Complete	Ea.	\$ 10,180.00

Irrigation Miscellaneous

85. 6" Bridge Crossing	L.F.	\$ 40.00
86. 8" Bridge Crossing	L.F.	\$ 50.00
87. 10" Bridge Crossing	L.F.	\$ 80.00
88. 16" Bridge Crossing	L.F.	\$ 165.00
89. Construction Grade Sand or Acceptable Backfill Material in Place	Ton	\$ 19.50

EXHIBIT 3

1887



09-18-06

Steve Harrell
Wadsworth Golf Construction Co.
600 N. 195th Ave.
Buckeye, AZ 85326

RE: BLACK ROCK NORTH GOLF COURSE CONSTRUCTION
BRN Development, Inc.'s Job: 06-5040 (Contract #: 065040_C0002)

"Conditional Letter of Intent"

Dear Mr. Harrell,

This letter is to inform you that it is the intention of *BRN Development, Inc.* to enter into an agreement with Wadsworth Golf Construction Company to perform the following work on the referenced project for a lump sum contracted amount not to exceed: \$10,643,465.00 (Ten million, six hundred forty-three thousand, four hundred sixty-five dollars and 0/100), taxes inclusive.

Scope of work Includes:

Schedule A (General Superintendence and Site Preparation):

Mobilization, permits and bonds for golf course work only
~~Construction facilities and temporary controls~~
~~Demolition and removal of existing structures~~
 Temporary traffic control for golf work only
 Clearing, grubbing and site preparation as modified

Schedule B (Mass Grading, Site Storm Drainage and Erosion Control)

Mass Grading—Main Site, Complete per modified scope of work
 Mass Grading—Panhandle Site, Complete as modified
~~Construction Haul Road Surfacing (6" Ballast)~~
~~Site Storm Drainage, Complete~~
 Three Site Ponds—30 mil PVC Liner, Complete
 Erosion Control per modified scope

Schedule C (18 Hole Golf Course Construction)
 Golf Course Supervision and Coordination

Initial

BRN Development, Inc.
P.O. Box 3070
Coeur d'Alene, Idaho 83816
208.665.2005 phone 208.416.0327 fax
www.blackrockdevelopment.com

LOI

Wadsworth Golf Construction Co.
BRN Development, Inc.
Job 06-5040

- 2 -

**Sand Cap & Topsoil Management
Golf Course Rough Shaping**

**Golf Course Drainage
Greens Construction
Tee Construction
Bunker Construction
Cart Path Construction
Golf Course Finish Shaping and Contouring
Rock Picking
Seed Bed Preparation
Soil Amendment/Fertilizer
Grassing Per Plans
Rock Retaining Walls
Golf Course Irrigation System, Complete
Golf Course Irrigation Pumping Facility**

Scope of work Excludes:

No exclusions specified

In order to memorialize our understanding, a standard BRN Development, Inc. Contract Agreement will be prepared and issued to your firm for your execution under separate cover.

BRN Development, Inc.'s commitment to contract is further contingent upon your firm providing the following:

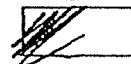
1. Certificate of Insurance for General Liability, Automobile, Excess Liability and Worker's Compensation coverage (see attached sample Certificate). Please have your insurance company issue a certificate accompanied by "Endorsement Page." Endorsement Page should list *BRN Development, Inc.* as additional insureds, reference BRN Development, Inc.'s Job: 06-5040 (Contract #: 065040_C0002)

2. Contractor agrees to defend, indemnify, and hold harmless the Owner from any and all claims, demands, losses, and liabilities to or by third parties arising from, resulting from, or connected with services performed or to be performed under this Contract by Contractor, its agents, employees, and subcontractors and suppliers of any tier, even though such claims may prove to be false, groundless or fraudulent, to the fullest extent permitted by law and subject to the limits provided below.

Contractor's duty to indemnify Owner shall not apply to liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of Owner or its agents or employees. Contractor's duty to indemnify Owner for liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of (a) Owner or its agents or employees, and (b)

BRN Development, Inc.
P.O. Box 3070
Coeur d'Alene, Idaho 83816
208.665.2005 phone 208.416.0327 fax
www.blackrockdevelopment.com

Initial



LOI
Wadsworth Golf Construction Co.
BRN Development, Inc.
Job 06-5040

-3-

Contractor or its agents, employees, and subcontractors and suppliers of any tier shall apply only to the extent of negligence of Contractor or its agents, employees, and subcontractors and suppliers of any tier.

The indemnification obligation under this Contract shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers' compensation acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by Owner, and does not include, or extend to, any claims by Contractor's employees directly against Contractor.

Contractor's duty to indemnify Owner for liabilities or losses other than for bodily injury to persons or damage to property shall apply only to the extent the liability or loss was caused by Contractor or its agents, employees, subcontractors or suppliers of any tier.

Defense cost recovery shall include all fees (of attorneys and experts), and costs and expenses incurred in good faith. In addition, Owner shall be entitled to recover compensation for all of its in-house expenses (including materials and labor) consumed in its defense.

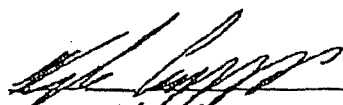
Please be advised that your firm will not be allowed to commence any work on the jobsite until these Certificates of Insurance, properly completed, have been furnished to BRN Development, Inc.

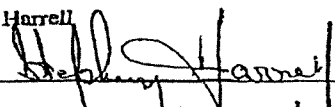
Consider this as Notice to Proceed including preparatory activities such as shop drawings and submittals, material ordering and procurement.

Please indicate your acceptance of this Letter of Intent by signing at the space provided below and return to our office immediately. We are looking forward to working with your firm on this project.

Sincerely,
BRN Development, Inc.

Accepted and Agreed:


Name: Kyle Coops
Title: VP Site Development
Date: 10-10-06

Steve Harrell
by: 
Print Name: Stephen Harrell
Title: President
Date: _____

BRN Development, Inc.
P.O. Box 3070
Coeur d'Alene, Idaho 83816
208.665.2005 phone 208.416.0327 fax
www.blackrockdevelopment.com

Initial


EXHIBIT 4



AIA® Document A401™ – 1997

COPY

Standard Form of Agreement Between Contractor and Subcontractor

AGREEMENT made as of the Fifteenth day of October in the year Two Thousand and Six
(In words, indicate day, month and year)

BETWEEN the Contractor
(Name, address and other information)

Wadsworth Golf Construction Company
100 N 19th Ave
Buckeye, AZ 85206
Telephone # (623) 953-9100
Fax # (623) 953-9217

and the Subcontractor
(Name, address and other information)

Precision Irrigation, Inc.
1205 E. Southern Ave., Suite 112
Mesa, AZ 85209
Telephone # (480) 830-4332
Fax # (480) 830-2347

The contractor has made a contract for construction dated:

With the Owner:
(Name, address and other information)

BRN Development, Inc.
P.O. Box 30708
Scottsdale, AZ 85268

For the following Project:
(Include detailed description of Project, location and address)

Black Rock North Golf Course
Koenai County, IL

which Contract is hereinafter referred to as the Prime Contract and which provides for the furnishing of labor, materials, equipment and services in connection with the construction of the Project. A copy of the Prime Contract, consisting of the Agreement Between Owner and Contractor (from which compensation amounts may be deleted) and the other Contract Documents enumerated therein has been made available to the Subcontractor.

The Architect for the Project is:
(Name, address and other information)

Weiskopf Signature Designs
7580 E. Gray Road Suite #204
Scottsdale, AZ 85260

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document has been approved and endorsed by the American Subcontractors Association and the Associated Specialty Contractors, Inc.

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User Notes:

(2111114397)

Irrigation Design
Harvey Mills Design
2805 South 172 Street
Highway, AZ. 85236

The Contractor and the Subcontractor agree as follows.

ARTICLE 1 THE SUBCONTRACT DOCUMENTS

§ 1.1 The Subcontract Documents consist of (1) this Agreement; (2) the Prime Contract, consisting of the Agreement between the Owner and Contractor and the other Contract Documents enumerated therein; (3) Modifications issued subsequent to the execution of the Agreement between the Owner and Contractor, whether before or after the execution of this Agreement; (4) other documents listed in Article 16 of this Agreement; and (5) Modifications to this Subcontract issued after execution of this Agreement. These form the Subcontract, and are as fully a part of the Subcontract as if attached to this Agreement or repeated herein. The Subcontract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. Any enumeration of the Subcontract Documents, other than Modifications issued subsequent to the execution of this Agreement, appears in Article 16.

§ 1.2 Except to the extent of a conflict with a specific term or condition contained in the Subcontract Documents, the General Conditions governing this Subcontract shall be the edition of AIA Document A201, General Conditions of the Contract for Construction, current as of the date of this Agreement.

§ 1.3 The Subcontract may be amended or modified only by a Modification. The Subcontract Documents shall not be construed to create a contractual relationship of any kind (1) between the Architect and the Subcontractor, (2) between the Owner and the Subcontractor, or (3) between any persons or entities other than the Contractor and Subcontractor.

§ 1.4 The Subcontractor shall be furnished copies of the Subcontract Documents upon request, but the Contractor may charge the Subcontractor for the reasonable cost of reproduction.

ARTICLE 2 MUTUAL RIGHTS AND RESPONSIBILITIES

§ 2.1 The Contractor and Subcontractor shall be mutually bound by the terms of this Agreement and, to the extent that the provisions of the edition of AIA Document A201 current as of the date of this Agreement apply to this Agreement pursuant to Section 1.2 and provisions of the Prime Contract apply to the Work of the Subcontractor, the Contractor shall assume toward the Subcontractor all obligations and responsibilities that the Owner, under such documents, assumes toward the Contractor, and the Subcontractor shall assume toward the Contractor all obligations and responsibilities which the Contractor, under such documents, assumes toward the Owner and the Architect. The Contractor shall have the benefit of all rights, remedies and redress against the Subcontractor which the Owner, under such documents, has against the Contractor, and the Subcontractor shall have the benefit of all rights, remedies and redress against the Contractor which the Contractor, under such documents, has against the Owner, insofar as applicable to this Subcontract. Where a provision of such documents is inconsistent with a provision of this Agreement, this Agreement shall govern.

§ 2.2 The Contractor may require the Subcontractor to enter into agreements with Sub-subcontractors performing portions of the Work of this Subcontract by which the Subcontractor and the Sub-subcontractor are mutually bound, to the extent of the Work to be performed by the Sub-subcontractor, assuming toward each other all obligations and responsibilities which the Contractor and Subcontractor assume toward each other and having the benefit of all rights, remedies and redress each against the other which the Contractor and Subcontractor have by virtue of the provisions of this Agreement.

ARTICLE 3 CONTRACTOR

§ 3.1 SERVICES PROVIDED BY THE CONTRACTOR

§ 3.1.1 The Contractor shall cooperate with the Subcontractor in scheduling and performing the Contractor's Work to avoid conflicts or interference in the Subcontractor's Work and shall expedite written responses to submittals made by the Subcontractor in accordance with Section 4.1 and Article 5. As soon as practicable after execution of this Agreement, the Contractor shall provide the Subcontractor copies of the Contractor's construction schedule and schedule of submittals, together with such additional scheduling details as will enable the Subcontractor to plan and

perform the Subcontractor's Work properly. The Subcontractor shall be notified promptly of subsequent changes in the construction and submittal schedules and additional scheduling details.

§ 3.12 The Contractor shall provide suitable areas for storage of the Subcontractor's materials and equipment during the course of the Work. Additional costs to the Subcontractor resulting from relocation of such facilities at the direction of the Contractor, except as previously agreed upon, shall be reimbursed by the Contractor.

§ 3.13 Except as provided in Article 14, the Contractor's equipment will be available to the Subcontractor only at the Contractor's discretion and on mutually satisfactory terms.

§ 3.2 COMMUNICATIONS

§ 3.2.1 The Contractor shall promptly make available to the Subcontractor information, including information received from the Owner, which affects this Subcontract and which becomes available to the Contractor subsequent to execution of this Subcontract.

§ 3.2.2 The Contractor shall not give instructions or orders directly to the Subcontractor's employees or to the Subcontractor's Sub-subcontractors or material suppliers unless such persons are designated as authorized representatives of the Subcontractor.

§ 3.2.3 The Contractor shall permit the Subcontractor to request directly from the Architect information regarding the percentages of completion and the amount certified on account of Work done by the Subcontractor.

§ 3.2.4 If litigation, substance of a type of which an employer is required by law to notify its employees are being held on the site by the Contractor, a subcontractor or anyone directly or indirectly employed by them (other than the Subcontractor), the Contractor shall, prior to harmful exposure of the Subcontractor's employees to such substance, give written notice of the chemical composition thereof to the Subcontractor in sufficient detail and time to permit the Subcontractor to comply with such laws.

§ 3.2.5 The Contractor shall furnish to the Subcontractor within 30 days after receipt of a written request, or earlier if required by law, information necessary and relevant for the Subcontractor to evaluate, give notice of or enforce its rights. Such information shall include a correct statement of the record legal title to the property, the title referred to as the site on which the Project is located and the Owner's interest therein.

§ 3.2.6 If the Contractor asserts or defends a claim against the Owner which relates to the Work of the Subcontractor, the Contractor shall make available to the Subcontractor information relating to that portion of the claim which relates to the Work of the Subcontractor.

§ 3.3 CLAIMS BY THE CONTRACTOR

§ 3.3.1 Damages, if any, provided for in Section 9.3 of this Agreement, shall be assessed against the Subcontractor only to the extent caused by the Subcontractor or any person or entity for whose acts the Subcontractor may be liable, and in no case for delays or causes arising outside the scope of this Subcontract.

§ 3.3.2 The Contractor shall for services or materials provided the Subcontractor shall require:

1. seven days written notice except in an emergency;
2. written compilations to the Subcontractor of services and materials provided and charges for such services and materials no later than the fifteenth day of the following month.

§ 3.4 CONTRACTOR'S REMEDIES

§ 3.4.1 If the Subcontractor defaults or neglects to carry out the Work in accordance with this Agreement and fails within three working days after receipt of written notice from the Contractor to commence and continue correction

of such default or neglect with diligence and promptness, the Contractor may, after three days following receipt by the Subcontractor of an additional written notice, and without prejudice to any other remedy the Contractor may have, make good such deficiencies and may deduct the reasonable cost thereof from the payments then or thereafter due the Subcontractor.

ARTICLE 4 SUBCONTRACTOR

§ 4.1 EXECUTION AND PROGRESS OF THE WORK

§ 4.1.1 The Subcontractor shall supervise and direct the Subcontractor's Work, and shall cooperate with the Contractor in scheduling and performing the Subcontractor's Work to avoid conflict, delay in or interference with the Work of the Contractor, other subcontractors or Owner's own forces.

§ 4.1.2 The Subcontractor shall promptly submit Shop Drawings, Product Data, Samples and similar submittals required by the Subcontract Documents with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Contractor or other subcontractors.

§ 4.1.3 The Subcontractor shall submit to the Contractor a schedule of values allocated to the various parts of the Work of this Subcontract aggregating the Subcontract Sum, made out in such detail as the Contractor and Subcontractor may agree upon or as required by the Owner, and supported by such evidence as the Contractor may require. In preparing the schedule, the Subcontractor shall submit statements based upon this schedule.

§ 4.1.4 The Subcontractor shall furnish to the Contractor periodic progress reports on the Work of this Subcontract as mutually agreed, including information on the status of materials and equipment which may be in the course of transportation or in transit.

§ 4.1.5 The Subcontractor agrees that the Contractor and the Architect will each have the authority to reject Work of the Subcontractor which does not conform to the Prime Contract. The Architect's decisions on matters relating to materials or Work shall be final and binding on the Subcontractor if consistent with the intent expressed in the Prime Contract.

§ 4.1.6 The Subcontractor shall pay for all materials, equipment and labor used in connection with the performance of this Subcontract during the period covered by previous payments received from the Contractor, and shall furnish satisfactory evidence when requested by the Contractor, to verify compliance with the above requirements.

§ 4.1.7 The Subcontractor shall take necessary precautions to protect properly the Work of other subcontractors from damage caused by operations under this Subcontract.

§ 4.1.8 The Subcontractor shall cooperate with the Contractor, other subcontractors and the Owner's own forces in the Work and shall not interfere with the Subcontractor's Work. The Subcontractor shall participate in the preparation of coordinated drawings in areas of congestion, if required by the Prime Contract, specifically noting and advising the Contractor of potential conflicts between the Work of the Subcontractor and that of the Contractor, other subcontractors or the Owner's own forces.

§ 4.2 LAWS, PERMITS, FEES AND NOTICES

§ 4.2.1 The Subcontractor shall comply with laws, ordinances, rules, regulations and orders of public authorities bearing on performance of the Work of this Subcontract. The Subcontractor shall secure and pay for permits and governmental fees, licenses and inspections necessary for proper execution and completion of the Subcontractor's Work, the furnishing of which is required of the Contractor by the Prime Contract.

§ 4.2.2 The Subcontractor shall comply with Federal, state and local tax laws, social security acts, unemployment compensation acts and workers' compensation acts insofar as applicable to the performance of this Subcontract.

§ 4.3 SAFETY PRECAUTIONS AND PROCEDURES

§ 4.3.1 The Subcontractor shall take reasonable safety precautions with respect to performance of this Subcontract, shall comply with safety measures initiated by the Contractor and with applicable laws, ordinances, rules, regulations and orders of public authorities for the safety of persons and property in accordance with the requirements of the Prime Contract. The Subcontractor shall report to the Contractor within three days an injury to any employee of the Subcontractor which occurred at the site.

§ 4.3.2 If hazardous substances of a type of which an employer is required by law to notify its employees are being used on the site by the Subcontractor, the Subcontractor's Sub-subcontractors or anyone directly or indirectly employed by them, the Subcontractor shall, prior to harmful exposure of any employees on the site to such

substance, give written notice of the chemical composition thereof to the Contractor in sufficient detail and time to permit compliance with such laws by the Contractor, other subcontractors and other employers on the site.

4.3.3 Reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from material or substance, including but not limited to asbestos or polychlorinated biphenyl (PCB), encountered on the site by the Subcontractor, the Subcontractor shall, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Contractor in writing. When the material or substance has been rendered harmless, the Subcontractor's Work in the affected area shall resume upon written agreement of the Contractor and Subcontractor. The Subcontract Time shall be extended appropriately and the Subcontract Sum shall be increased by the amount of the Subcontractor's reasonable additional costs of demobilization, delay and remobilization which adjustments shall be accomplished as provided in Article 5 of this Agreement.

4.3.4 To the fullest extent permitted by law, the Contractor shall indemnify and hold harmless the Subcontractor, the Subcontractor's Sub-subcontractors, and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work in the affected area if in fact the material or substance presents the risk of bodily injury or death as described in Section 4.3.3 and has not been rendered harmless, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself) including loss of use resulting therefrom and provided that such damage, loss or expense is not due to the negligence of a party seeking indemnity.

4.4 CLEANUP

4.4.1 The Subcontractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations performed under this Subcontract. The Subcontractor shall not be held responsible for such conditions caused by other contractors or subcontractors.

4.4.2 As provided under Section 3.3.2, if the Subcontractor fails to clean up as provided in the Subcontract Documents, the Contractor may charge the Subcontractor for the Subcontractor's appropriate share of cleanup costs.

4.5 WARRANTY

4.5.1 The Subcontractor warrants to the Owner, Architect and Contractor that materials and equipment furnished under this Subcontract will be of good quality and new unless otherwise required or permitted by the Subcontract Documents, and the Work of this Subcontract will be free from defects not inherent in the quality required or permitted, and that the Work will conform to the requirements of the Subcontract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. The Subcontractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Subcontractor, improper or inefficient maintenance, improper operation, or normal wear and tear under normal use. This warranty shall be in addition to and not in limitation of any other warranty or remedy required by or under the Subcontract Documents.

4.6 INDEMNIFICATION

4.6.1 To the fullest extent permitted by law, the Subcontractor shall indemnify and hold harmless the Owner, Contractor, Architect, Engineer, consultants, and agents and employees of any of them from and against claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from performance of the Subcontractor's Work under this Subcontract, provided that any such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Work itself), but only to the extent caused by the negligent acts or omissions of the Subcontractor, the Subcontractor's Sub-subcontractors, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage, loss or expense is caused in part by a party indemnified hereunder. Such obligation shall not be construed to negate, abridge, or otherwise reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Section 4.6.

4.6.2 In claims against any person or entity indemnified under this Section 4.6 by an employee of the Subcontractor, the Subcontractor's Sub-subcontractors, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under Section 4.6.1 shall not be limited by a limitation on the amount or type of damages, compensation or benefits payable by or for the Subcontractor or the

Subcontractor's Sub-subcontractors under workers' compensation acts, disability benefit acts or other employee benefit acts.

§ 4.2 REMEDIES FOR NONPAYMENT

§ 4.2.1 If the Contractor does not pay the Subcontractor through no fault of the Subcontractor, within seven days from the time payment should be made as provided in this Agreement, the Subcontractor may, without prejudice to any other available remedies, upon seven additional days' written notice to the Contractor, stop the Work of this Subcontract until payment of the amount owing has been received. The Subcontract Sum shall, by appropriate adjustment, be increased by the amount of the Subcontractor's reasonable costs of demobilization, delay and mobilization.

ARTICLE 5 CHANGES IN THE WORK

§ 5.1 The Contractor may make changes in the Work by issuing Modifications to the Prime Contract. Upon receipt of a Modification issued subsequent to the execution of the Subcontract Agreement, the Contractor shall promptly notify the Subcontractor of the Modification. Unless otherwise directed by the Contractor, the Subcontractor shall use the same care and materials to perform Work which would be inconsistent with the changes made by the Modification to the Prime Contract.

§ 5.2 The Subcontractor shall, when ordered in writing by the Contractor, without invalidating this Subcontract, to make changes in the Work within the general scope of this Subcontract consisting of additions, deletions or other revisions, including those required by Modifications to the Prime Contract issued subsequent to the execution of this Subcontract, the Subcontract Sum and the Subcontract Time being adjusted accordingly. The Subcontractor, prior to the commencement of such changed or revised Work, shall submit promptly to the Contractor written copies of a claim for adjustment to the Subcontract Sum and Subcontract Time for such revised Work in a manner consistent with the requirements of the Subcontract Documents.

§ 5.3 The Subcontractor shall make all claims promptly to the Contractor for additional cost, extensions of time and damages for delays or other losses in accordance with the Subcontract Documents. A claim which will affect or become part of a claim which the Contractor is required to make under the Prime Contract within a specified time period in a specified manner shall be made in sufficient time to permit the Contractor to satisfy the requirements of the Prime Contract. Such claims shall be received by the Contractor not less than two working days preceding the time by which the Contractor's claim must be made. Failure of the Subcontractor to make such a timely claim shall render the Subcontractor the same consequences as those to which the Contractor is bound.

ARTICLE 6 MEDIATION AND ARBITRATION

§ 6.1 MEDIATION

§ 6.1.1 Any claim arising out of or related to this Subcontract, except claims as otherwise provided in Section 4.1.5 and except those waived in this Subcontract, shall be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by either party.

§ 6.1.2 The parties shall endeavor to resolve their claims by mediation which, unless the parties mutually agree otherwise, shall be conducted in accordance with the Construction Industry Mediation Rules of the American Arbitration Association currently in effect. Request for mediation shall be filed in writing with the other party to this Subcontract with the American Arbitration Association. The request may be made concurrently with the filing of a demand for arbitration but, in such event, mediation shall proceed in advance of arbitration or legal or equitable proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order.

§ 6.1.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 6.2 ARBITRATION

§ 6.2.1 Any claim arising out of or related to this Subcontract, except claims as otherwise provided in Section 4.1.5 and except those waived in this Subcontract, shall be subject to arbitration. Prior to arbitration, the parties shall endeavor to resolve disputes by mediation in accordance with the provisions of Section 6.1.

§ 6.2.2 Claims not resolved by mediation shall be decided by arbitration which, unless the parties mutually agree otherwise, shall be in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association currently in effect. Demand for arbitration shall be filed in writing with the other party to this Subcontract and with the American Arbitration Association, and a copy shall be filed with the Architect.

§ 6.2.3 A demand for arbitration shall be made within the time limits specified in the conditions of the Prime Contract as applicable, and in other cases within a reasonable time after the claim has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim would be barred by the applicable statute of limitations.

§ 6.2.4 Limitation on Consolidation or Joinder. Except by written consent of the person or entity sought to be joined, no arbitration proceeding or relating to the Subcontract shall include, by consolidation or joinder or in any other manner, any person or entity not a party to the Subcontract under which such arbitration arises, unless it is shown at the time the demand for arbitration is filed that (1) such person or entity is substantially involved in a common transaction or occurrence, (2) the presence of such person or entity is required if complete relief is to be accorded in the arbitration, (3) the interest or responsibility of such person or entity in the matter is not insubstantial, and (4) such person or entity is the Architect, the Architect's employee, the Architect's consultant, or an employee or agent of any of them. This agreement to arbitrate and any other written agreement to arbitrate with an additional person or person or persons shall be specifically enforceable under applicable law in any court having jurisdiction thereof.

§ 6.2.5 Claims and Party Assertion of Claims. The party filing a notice of demand for arbitration must assert in the demand all claims then known to that party on which arbitration is permitted to be demanded.

§ 6.2.6 Judgment on Final Award. The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

ARTICLE 7. TERMINATION, SUSPENSION OR ASSIGNMENT OF THE SUBCONTRACT

§ 7.1 TERMINATION BY THE SUBCONTRACTOR

§ 7.1.1 The Subcontractor may terminate the Subcontract for the same reasons and under the same circumstances and on the same terms with respect to the Contractor as the Contractor may terminate with respect to the Owner under the Prime Contract. Upon termination of the Subcontract, the Subcontractor shall be entitled to recover from the Contractor payment for Work executed and for proven loss of cost of materials, equipment, tools, and construction equipment and machinery, including reasonable profit and damages.

§ 7.2 TERMINATION BY THE CONTRACTOR

§ 7.2.1 If the Subcontractor persistently or repeatedly fails or neglects to carry out the Work in accordance with the Subcontract Documents or otherwise to perform in accordance with this Subcontract and fails within seven days after receipt of written notice to commence and continue correction of such default or neglect with diligence and promptness, the Contractor may, after seven days following receipt by the Subcontractor of an additional written notice and without prejudice to any other remedy the Contractor may have, terminate the Subcontract and finish the Subcontractor's Work by whatever method the Contractor may deem expedient. If the unpaid balance of the Subcontract shall exceed the expense of finishing the Subcontractor's Work and other damages incurred by the Contractor and not expressly waived, such excess shall be paid to the Subcontractor. If such expense and damages exceed such unpaid balance, the Subcontractor shall pay the difference to the Contractor.

§ 7.2.2 If the Owner terminates the Contract for the Owner's convenience, the Contractor shall deliver written notice to the Subcontractor.

§ 7.2.3 Upon receipt of written notice of termination, the Subcontractor shall:

1. cease operations as directed by the Contractor in the notice;
2. take actions necessary, or that the Contractor may direct, for the protection and preservation of the Work; and

- 3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing Sub-subcontracts and purchase orders and enter into no further Sub-subcontracts and purchase orders.

In the case of such termination for the Owner's convenience, the Subcontractor shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination, along with reasonable overhead and profit on the Work not executed.

§ 7.3 SUSPENSION BY THE CONTRACTOR FOR CONVENIENCE

§ 7.3.1 The Contractor may, without cause, order the Subcontractor in writing to suspend, delay or interrupt the Work of this Subcontract in whole or in part for such period of time as the Contractor may determine. In the event of suspension ordered by the Contractor, the Subcontractor shall be entitled to an equitable adjustment of the Subcontract Time and Subcontract Sum.

§ 7.3.2 An adjustment shall be made for increases in the Subcontract Time and Subcontract Sum, including profit on increased costs of performance, caused by suspension, delay or interruption. No adjustment shall be made to the extent the Work is, was or would have been so suspended, delayed or interrupted by another cause.

§ 7.3.3 No adjustment shall be made or denied under another provision of this Subcontract.

§ 7.4 ASSIGNMENT OF THE SUBCONTRACT

§ 7.4.1 In the event of termination of the Prime Contract by the Owner, the Contractor may assign this Subcontract to the Owner without the Contractor's agreement, subject to the provisions of the Prime Contract and to the prior rights of the Contractor in any bonds relating to the Prime Contract. In such event, the Owner shall assume the Contractor's rights and obligations under the Subcontract Documents. If the Work of the Prime Contract has been suspended for more than 30 days, the Subcontractor's compensation shall be equitably adjusted.

§ 7.4.2 The Subcontractor shall not assign the Work of this Subcontract without the written consent of the Contractor. The Subcontractor shall not assign the whole of this Subcontract without the written consent of the Contractor, nor further portions of this Subcontract without written notification to the Contractor when such notification is required by the Contractor.

§ 7.5 SCOPE - THE WORK OF THIS SUBCONTRACT

§ 7.5.1 The Subcontractor shall execute the following portion of the Work described in the Subcontract Documents, including all labor, materials, equipment, services and other items required to complete such portion of the Work, except to the extent specifically indicated in the Subcontract Documents to be the responsibility of others.

(Insert a brief description of the Work of this Subcontract, referring where appropriate to numbers of Drawings, sections of Specifications and pages of Addenda, Modifications and accepted Alternates.)

1. Purchase and install pump station and pump station systems per plans and specifications.

ARTICLE 8 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ 8.1 The Subcontractor's date of commencement is the date from which the Contract Time of Section 9.3 is measured, shall be the date of this Agreement, as first written above, unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Contractor.

(Insert the date of commencement, if it differs from the date of this Agreement or, if applicable, state that the date will be fixed in a notice to proceed.)

2. Pump station installation 2006

3. Pump station installation 2007, 2008

§ 8.2 When the date of commencement is established by a notice to proceed issued by the Contractor, or the Subcontractor commences visible Work at the site under the Prime Contract, the Subcontractor shall notify the Contractor in writing not less than five days before commencing the Subcontractor's Work to permit the timely filing of mortgages, mechanic's liens and other security interests.

§ 9.3 The Work of this Subcontract shall be substantially completed not later than Nine Holes August 30, 2007

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User Notes:

(2111114397)

Nine Holes May 1, 2008

calendar date or number of calendar days after the Subcontractor's date of commencement. Also insert
insertments for earlier Substantial Completion of certain portions of the Subcontractor's Work, if not stated
in the Subcontract Documents.)

Subcontractor shall mobilize and complete work as soon as Contractor makes the work available.

Portion of Work

Substantial Completion date

Subject to adjustment of this Subcontract Time as provided in the Subcontract Documents.
insert provisions, if any, for liquidated damages relating to failure to complete on time.)

§ 9.1 With respect to the obligations of both the Contractor and the Subcontractor, time is of the essence of this Subcontract.

§ 9.2 Extension of time will be valid without the Contractor's written consent after claim made by the Subcontractor in accordance with Section 5.3.

ARTICLE 10 SUBCONTRACT SUM

§ 10.1 The Contractor shall pay the Subcontractor in current funds for performance of the Subcontract the Subcontract Sum of Twenty Million Three Hundred Fifty-five Thousand Dollars zero Cents (\$2,355,000.00) (subject to additions and deductions as provided in the Subcontract Documents.

See Exhibit A for Variation of Subcontract Amount

§ 10.2 The Subcontract Sum is based upon the following alternates, if any, which are described in the Subcontract Documents and have been accepted by the Owner and the Contractor:
(insert names and other identification of accepted alternates.)

§ 10.3 Unit prices, if any, are as follows:

See Exhibit B for Unit prices

ARTICLE 11 PROGRESS PAYMENTS

§ 11.1 Based upon applications for payment submitted to the Contractor by the Subcontractor, corresponding to applications for payment submitted by the Contractor to the Architect, and certificates for payment issued by the Architect, the Contractor shall make progress payments on account of the Subcontract Sum to the Subcontractor as provided elsewhere in the Subcontract Documents. Unless the Contractor provides the Owner with a payment certificate, the full penal sum of the Contract Sum, payments received by the Contractor and Subcontractor for work properly performed by their contractors and suppliers shall be held by the Contractor and Subcontractor for those contractors or suppliers who performed Work or furnished materials, or both, under contract with the Contractor or Subcontractor for which payment was made to the Contractor by the Owner or to the Subcontractor by the Contractor, if applicable. Nothing contained herein shall require money to be placed in a separate account and not commingled with money of the Contractor or Subcontractor, shall create any fiduciary liability or tort liability against the Contractor or Subcontractor for breach of trust or shall entitle any person or entity to an award of punitive damages against the Contractor or Subcontractor for breach of the requirements of this provision.

§ 11.2 The period covered by each application for payment shall be one calendar month ending on the last day of the month, or as follows:

provided an application for payment is received by the Contractor not later than the Twenty-fifth day of a month, the Contractor shall include the Subcontractor's Work covered by that application in the next application for payment which the Contractor is entitled to submit to the Architect. The Contractor shall pay the Subcontractor each progress payment within three working days after the Contractor receives payment from the Owner.

If an application for payment is received by the Contractor after the application date fixed above, the Subcontractor's Work covered by it shall be included by the Contractor in the next application for payment submitted to the Architect.

11.5 Each application for payment shall be based upon the most recent schedule of values submitted by the Subcontractor in accordance with the Subcontract Documents. The schedule of values shall allocate the entire Subcontract Sum among the various portions of the Subcontractor's Work and be prepared in such form and supported by such data as to substantiate its accuracy as the Contractor may require. This schedule, unless objected to by the Contractor, shall be used as a basis for reviewing the Subcontractor's applications for payment.

11.6 Applications for payment submitted by the Subcontractor shall indicate the percentage of completion of each portion of the Subcontractor's Work as of the end of the period covered by the application for payment.

11.7 Subject to the provisions of the Subcontract Documents, the amount of each progress payment shall be computed as follows:

11.7.1 Take the portion of the Subcontract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Subcontractor's Work by the share of the total Subcontract Sum allocable to that portion of the Subcontractor's Work in the schedule of values, less that percentage shall be retained, if any, from payments to the Contractor on account of the Work of the Subcontractor. Pending final determination of costs to the Contractor of changes in the Work which have been properly authorized by the Contractor, amounts not in dispute shall be included to the same extent provided in the Prime Contract, even though the Subcontract Sum has not yet been adjusted;

11.7.2 Add that portion of the Subcontract Sum properly allocable to materials and equipment delivered and installed on the site by the Subcontractor for subsequent incorporation in the Subcontractor's Work or, if approved by the Contractor, suitably stored off the site at a location agreed upon in writing, less the same percentage shall be required by the Prime Contract to be applied to such materials and equipment in the Contractor's applications for payment.

Remaining for this project is:

Materials

Labor

11.8 Subtract the sum of previous payments made by the Contractor; and

11.9 Subtract amounts withheld or withheld under Section 11.7.1 or 11.7.2 which are related to Work of the Subcontractor of which the Architect has withheld or nullified, in whole or in part, a certificate of payment for a cause which is the fault of the Subcontractor.

11.10 Upon the Contractor's entire disapproval by the Contractor of the Subcontractor's application for payment, the Contractor shall provide written notice to the Subcontractor. When the basis for the disapproval has been remedied, the Subcontractor shall be paid the amounts withheld.

11.11 SUBSTANTIAL COMPLETION

11.11.1 When the Subcontractor's Work or a designated portion thereof is substantially complete and in accordance with the requirements of the Prime Contract, the Contractor shall, upon application by the Subcontractor, make prompt application for payment for such Work. Within 30 days following issuance by the Architect of the certificate for payment covering such substantially completed Work, the Contractor shall, to the full extent allowed in the Prime Contract, make payment to the Subcontractor, deducting any portion of the funds for the Subcontractor's Work withheld in accordance with the certificate to cover costs of items to be completed or corrected by the

Subcontractor. Such payment to the Subcontractor shall be the entire unpaid balance of the Subcontract Sum if a full release of retainage is allowed under the Prime Contract for the Subcontractor's Work prior to the completion of the Subcontract. If the Prime Contract does not allow for a full release of retainage, then such payment shall be an amount which, when added to previous payments to the Subcontractor, will reduce the retainage on the Subcontractor's substantially completed Work to the same percentage of retainage as that on the Contractor's Work covered by the certificate.

ARTICLE 12 FINAL PAYMENT

§ 12.1 Final payment, constituting the entire unpaid balance of the Subcontract Sum, shall be made by the Contractor to the Subcontractor when the Subcontractor's Work is fully performed in accordance with the requirements of the Subcontract and the Architect has issued a certificate for payment covering the Subcontractor's completed Work and the Contractor has received payment from the Owner. If, for any cause which is not the fault of the Subcontractor, a certificate for payment is not issued or the Contractor does not receive timely payment or does not pay the Subcontractor within three working days after receipt of payment from the Owner, final payment to the Subcontractor shall be made on demand.

(Insert amount and date of final payment to the Subcontractor, if applicable.)

§ 12.2 Before receipt of the monthly progress payments and the final payment, the Subcontractor, shall submit evidence satisfactory to the Contractor that all payrolls, bills for materials and equipment, and all known liabilities connected with the Subcontractor's Work have been satisfied.

ARTICLE 13 INSURANCE AND BONDS

§ 13.1 The Subcontractor shall purchase and maintain insurance of the following types of coverage and limits of liability:

See Exhibit "C" Insurance
Type of insurance

Limits of liability (\$ 0.00)

§ 13.2 Coverage which is written on an occurrence or claims-made basis, shall be maintained without interruption until date of completion of the Subcontractor's Work until date of final payment and termination of any coverage required to be maintained after final payment to the Subcontractor.

§ 13.3 Certificates of insurance acceptable to the Contractor shall be filed with the Contractor prior to commencement of the Subcontractor's Work. These certificates and the insurance policies required by this Article shall contain a provision that coverage afforded under the policies will not be canceled or allowed to expire until at least 60 days prior to termination of the Subcontractor's Work. If any of the foregoing insurance coverages are required to remain in force after final payment and are reasonably available, an additional certificate evidencing continuation of such coverage shall be submitted with the final application for payment as required in Article 12. If any information concerning reduction of coverage is not furnished by the insurer, it shall be furnished by the Subcontractor with reasonable promptness according to the Subcontractor's information and belief.

§ 13.4 The Contractor shall furnish to the Subcontractor satisfactory evidence of insurance required of the Contractor under the Prime Contract.

§ 13.5 The Contractor shall promptly, upon request of the Subcontractor, furnish a copy or permit a copy to be made of any bond covering payment of obligations arising under the Subcontract.

§ 13.6 The Contractor Bond and Payment Bond:

(If the Subcontractor is to furnish bonds, insert the specific requirements here.)

None

Bond type	Bond amount (\$ 0.00)	Bond delivery date	Bond form
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§ 13.7 PROPERTY INSURANCE

§ 13.7.1 When requested in writing, the Contractor shall provide the Subcontractor with copies of the property and casualty insurance policies in effect for the Project. The Contractor shall notify the Subcontractor if the required property insurance policies are not in effect.

§ 13.7.2 If the required property insurance is not in effect for the full value of the Subcontractor's Work, then the Subcontractor shall purchase insurance for the value of the Subcontractor's Work, and the Subcontractor shall be reimbursed for the cost of the insurance by an adjustment in the Subcontract Sum.

§ 13.7.3 Property insurance for the Subcontractor's materials and equipment required for the Subcontractor's Work, stored off site or in transit and not covered by the Project property insurance, shall be paid for through the applicational payment process.

§ 13.8 WAIVERS OF SUBROGATION

§ 13.8.1 The Contractor and Subcontractor waive all rights against (1) each other and any of their subcontractors, sub-subcontractors, agents and employees, each of the other, and (2) the Owner, the Architect, the Architect's consultants, subcontractors, and any of their subcontractors, sub-subcontractors, agents and employees for damages caused by fire or other causes of loss to the extent covered by property insurance provided under the Prime Contract or other applicable insurance applicable to the Work, except such rights as they may have to proceeds of such insurance held by the Owner as a fiduciary. The Subcontractor shall require of the Subcontractor's Subcontractors, agents and employees, by appropriate agreements, written where legally required for validity, similar waivers of subrogation to those enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

ARTICLE 14 TEMPORARY FACILITIES AND WORKING CONDITIONS

§ 14.1 The Contractor shall furnish and make available to the Subcontractor the following temporary facilities, equipment and services, to be furnished at no cost to the Subcontractor unless otherwise indicated below:

Temporary Facility, Equipment or Service

Cost, if any (\$ 0.00)

§ 14.2 Special working conditions:

(The Contractor shall arrange for all applicable arrangements concerning working conditions and labor matters for the Project.)

Remainder

ARTICLE 15 MISCELLANEOUS PROVISIONS

§ 15.1 Where reference is made in this Subcontract to a provision of another Subcontract Document, the reference refers to that provision as amended or supplemented by other provisions of the Subcontract Documents.

§ 15.2 Payments due and unpaid under this Subcontract shall bear interest from the date payment is due at such rate as the parties may agree upon in writing or, in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.

(Insert rate of interest agreed upon, if any.)

§ 15.3 This Subcontract is subject to the requirements under the Federal Truth in Lending Act, similar state and local consumer credit laws and other regulations at the Owner's, Contractor's and Subcontractor's principal places of business, the location of the Project and elsewhere may affect the validity of this provision. Legal advice should be obtained with respect to deletions or modifications, and also regarding requirements such as written disclosures or waivers.)

§ 15.3 Retainage and any reduction thereto is as follows:

Materials
Labor

§ 15.4 The Contractor and Subcontractor waive claims against each other for consequential damages arising out of or resulting from this Subcontract, including without limitation, any consequential damages due to either party's termination in accordance with Article 7.

ARTICLE 16 ENUMERATION OF SUBCONTRACT DOCUMENTS

16.1 The Subcontract Documents, except for Modifications issued after execution of this Subcontract, are enumerated as follows:
Exhibit

16.1.1 The executed 1997 Edition of the Standard Form of Agreement Between Contractor and Subcontractor, AIA Document A401-1997.

16.1.2 The Prime Contract, consisting of the Agreement between the Owner and Contractor dated as first entered into and the other Contract Documents enumerated in the Owner-Contractor Agreement;

16.1.3 The following Modifications to the Prime Contract, if any, issued subsequent to the execution of the Owner-Contractor Agreement but prior to the execution of this Agreement:

Modification

Date

16.1.4 Other Documents, if any, forming part of the Subcontract Documents are as follows:

List any additional documents that are intended to form part of the Subcontract Documents. Requests for proposal and other subcontract documents for proposal should be listed here only if intended to be part of the Subcontract Documents.

16.2 (b)

The Agreement is dated as of the day and year first written above.

CONTRACTOR'S SIGNATURE

Signature: [Signature]

(Print name and title)

SUBCONTRACTOR (Signature)

Rick Sullivan, Pres.

(Printed name and title)

Additions and Deletions Report for AIA® Document A401™ – 1997

This Additions and Deletions Report, as defined on page 1 of the associated document, reproduces below all text the author has added to or deleted from the standard form AIA document in order to complete it, as well as any text the author may have added to or deleted from the original AIA text. Added text is shown underlined. Deleted text is indicated with a horizontal line through the original AIA text.

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PAGE 1

AGREEMENT made as of the Fifteenth day of October in the year Two Thousand and Six

Wendell H. Construction Company

1000 N. 1st Ave.

Black Rock, WY 82206

Telephone # (623) 454-1000

Fax # (623) 252-0000

Architect/Engineer

2050 S. Southern Ave. Suite 100

Black Rock, WY 82206

Telephone # (406) 331-1131

Fax # (406) 331-0324

BRN Development Inc.

P.O. Box 1000

Black Rock, WY 82206

Black Rock North Gold Mine

Montana County, MT

Work of Signature Designs

7580 E. Gray Road Suite #204

Black Rock, WY 82206

PAGE 2

Irrigatun Design

...

Harvey Mills Design

2405 South 172 Street

AZ 85236



ARTICLE 1 - THE SUBCONTRACT DOCUMENTS
ARTICLE 1 THE SUBCONTRACT DOCUMENTS

PAGE 8

Purchase and install the irrigation and pump station systems per plans and specifications

feasible pump station installation 2006

irrigation/pump station 2007, 2008

§ 9. The Work of this Subcontract shall be substantially completed not later than Nine Holes August 30, 2007

PAGE 9

Nine Holes May 2008

Subcontractor shall mobilize and complete work as soon as Contractor makes the work available.

§ 10. The Contractor shall pay the Subcontractor in current funds for performance of the Subcontract the sum of Two Million Three Hundred Fifty-five Thousand Dollars zero Cents (\$2,355,000.00) (+/-) subject to additions and deductions as provided in the Subcontract Documents.

See Exhibit A - Retention of Subcontract Amount

Description	Units	Price (\$0.00)
See Exhibit B - Retention		

PAGE 10

§ 11. If provided an application for payment is received by the Contractor not later than the Twenty-fifth day of a month, the Contractor shall include the Subcontractor's Work covered by that application in the next application for payment which the Contractor is required to submit to the Architect. The Contractor shall pay the Subcontractor each progress payment within three working days after the Contractor receives payment from the Owner. If the Architect does not receive payment for payment or the Contractor does not receive payment for any cause which is not the fault of the Subcontractor, the Contractor shall pay the Subcontractor, on demand, a progress payment computed as provided in Sections 11.7, 11.8 and 11.9.

Retainage for final project 11.7, 11.8 and 11.9

Materials - 0.5%

Labor 10%

PAGE 11

§ 12.2 Before submitting both the monthly progress payments and the final payment, the Subcontractor, if required, shall submit evidence satisfactory to the Contractor that all payrolls, bills for materials and equipment, and all known indebtedness connected with the Subcontractor's Work have been satisfied.

See Exhibit C - Insurance

PAGE 12

None

See Exhibit "D"

Exhibit

PAGE 13

for materials

for work

Exhibit

Exhibit 3

Stephen Mitchell, President

Certification of Document's Authenticity

AIA® Document D401™ – 2003

Stephen A Harrell, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 10:04:58 on 10/26/2006 under Order No. 1000259474_1 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document A401™ – 1997 - Standard Form of Agreement between Contractor and Subcontractor, as published by the AIA in its software, other than those additions and deletions shown in the associated Additions and Deletions Report.

Stephen A Harrell

President

October 30, 2006

D

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User Notes:

(2111114397)

Client#: 3

ADSWGOLF

ACORD... CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 10/12/06
PRODUCER WAUSAU SIGNATURE AGENCY 1431 OPUS PL SUITE 300 DOWNERS GROVE, IL 60515 630 719-0704		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED Wadsworth Golf Const Co. of the S.W. 600 N. 195th Ave Buckeye, AZ 85326		INSURERS AFFORDING COVERAGE INSURER A: WAUSAU BUSINESS INSURANCE COMPANY INSURER B: EMPLOYERS INSURANCE COMPANY OF WAUSA INSURER C: WAUSAU UNDERWRITERS INSURANCE CO. INSURER D: INSURER E:
		NAIC #

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> BI/PD Ded: 5,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	TBKY91432654055	12/31/05	12/31/06	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	ASKY91432654025	12/31/05	12/31/06	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
B		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$	THCY91432654035	12/31/05	12/31/06	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$ \$ \$
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	WAJY9D432654045	12/31/05	12/31/06	<input checked="" type="checkbox"/> WC STATUS- TORY LIMITS E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 RE: JOB 06-5040
 THE CERTIFICATE HOLDER IS AN ADDITIONAL INSURED ON THE GENERAL LIABILITY WITH RESPECT TO LIABILITY ARISING OUT OF OPERATIONS PERFORMED BY THE NAMED INSURED.
 (See Attached Descriptions)

CERTIFICATE HOLDER

CANCELLATION

BRN DEVELOPMENT INC PO BOX 3070 Coeur D Alene, ID 83816	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE <i>S. M. Wall</i>
--	---

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

DESCRIPTIONS (Continued from Page 1)

EXHIBIT "A"

Derivation of Contract Amount

Irrigation Materials and Install	\$2,153,465.00
Pump Station Wet Well and Concrete Pad	<u>201,535.00</u>
	\$2,355,000.00

Alternate

Performance and Labor Payment Bond	1.1%	26,815.00
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EXHIBIT "B"

UNIT COST SCHEDULE

IRRIGATION-BLACK ROCK NORTH GOLF COURSE

Exhibit "B" Unit Pricing

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
Rock Retaining Walls		
38. Construct Rock Ret. Walls with Existing Rock	L.F.	\$ <u>N/B</u>
Irrigation Heads		
39. Rain Bird #700 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ <u>180.</u>
40. Rain Bird #700 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ <u>185.</u>
41. Rain Bird #750 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ <u>190.</u>
42. Rain Bird #750 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ <u>195.</u>
43. Rain Bird #500 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ <u>160.</u>
44. Rain Bird #500 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ <u>165.</u>
45. Rain Bird #550 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ <u>170.</u>
46. Rain Bird #550 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ <u>175.</u>
47. Rain Bird 351B Series. Rotor w/ Swing Joint and 2" SCH 40 PVC Lateral Piping	Ea.	\$ <u>75.</u>
48. Rain Bird 351B Series. Rotor w/ Swing Joint and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ <u>78.</u>
Irrigation Components		
49. Toro P220, 1-1/2" Plastic Remote Control Valve Riser Assembly and Valve Box	Ea.	\$ <u>200.</u>
50. Rain Bird PAR + ES 72 Station Satellite Unit, Plastic Pedestal Grounding and Concrete Pad	Ea.	\$ <u>3500.</u>
51. Rain Bird - 8 Station OSM (Complete w/ Switches)	Ea.	\$ <u>400.</u>
52. Rain Bird #5NP 1" Quick Coupling Valve, Swing Joint Assembly and Valve Box	Ea.	\$ <u>118.</u>
53. 4" Manual Blow off Valve Assembly & Box	Ea.	\$ <u>900.</u>

Exhibit "B" Unit Pricing

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
54. 2" Crispin #PL10A Air Relief Valve, Swing Joint Assembly and Box	Ea.	\$ 575.-
55. 2" Drain Valve Assembly and Box	Ea.	\$ 600.-
56. 2" Lateral Isolation Valve, Box & Riser Assembly installed on Distribution Piping	Ea.	\$ 200.-
Irrigation Gate Valve and Box		
57. 4" Isolation Gate Valve and Box	Ea.	\$ 450.-
58. 6" Isolation Gate Valve and Box	Ea.	\$ 550.-
59. 8" Isolation Gate Valve and Box	Ea.	\$ 750.-
60. 10" Isolation Gate Valve and Box	Ea.	\$ 950.-
61. 12" Isolation Gate Valve and Box	Ea.	\$ 1200.-
62. 16" Isolation Gate Valve and Box	Ea.	\$ 4000.-
Irrigation Pipe and Fittings		
63. 2" SCH 40 PVC Lateral Piping and Fittings	L.F.	\$ 1.75
64. 2" SCH 40 PVC Lateral Piping and Fittings (Purple)	L.F.	\$ 1.80
65. 2-1/2" SCH 40 PVC Lateral Piping and Fittings	L.F.	\$ 2.30
66. 2-1/2" SCH 40 PVC Lateral Piping and Fittings (Purple)	L.F.	\$ 2.50
67. 6" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 6.50
68. 6" PVC Class 200 Distribution Piping and Fittings (Purple)	L.F.	\$ 7.-
69. 8" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 10.50
70. 8" PVC Class 200 Distribution Piping and Fittings (Purple)	L.F.	\$ 11.20
71. 10" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 16.-
72. 12" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 18.50
73. 16" PVC C905 DR18 Distr. Piping and Fittings	L.F.	\$ 45.-
74. 27" SDR 35 PVC Intake Piping	L.F.	\$ 90.-
Irrigation Electrical / Communications		
75. #14-1 UF UL Control Wire	L.F.	\$.11
76. #12-1 UF UL Common Wire	L.F.	\$.15
77. #8-2 UF UL Wire with Ground	L.F.	\$ 2.-
78. #6-2 UF UL Wire with Ground	L.F.	\$ 2.50
79. #2-2 UF UL Wire with Ground	L.F.	\$ 4.-
80. #2 - 1/0 UF UL Wire with Ground	L.F.	\$ 7.-
81. #8 Bare Copper Ground	L.F.	\$ 1.-

Exhibit "B" Unit Pricing

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
82. Rain Bird Communication Cable	L.F.	\$ <u>.50</u>
83. Weather Station Communication Cable	L.F.	\$ <u>1.25</u>
84. Weather Station, Complete	Ea.	\$ <u>10,000.</u>
Irrigation Miscellaneous		
85. 6" Bridge Crossing	L.F.	\$ <u>18.</u>
86. 8" Bridge Crossing	L.F.	\$ <u>22.</u>
87. 10" Bridge Crossing	L.F.	\$ <u>36.</u>
88. 16" Bridge Crossing	L.F.	\$ <u>60.</u>
89. Construction Grade Sand or Acceptable Backfill Material in Place	Ton	\$ <u>N/B</u>

EXHIBIT "D"

SPECIFIC WORK CONDITIONS

Irrigation Contractor (IC) and Wadsworth Golf Construction Company (WC) agree as follows:

1. Quantities

Subcontractor is responsible for his quantities from plan. Subcontractor will take necessary steps to track as staked versus plan quantities. Advance notice of possible contract over runs must be given.

2. Work provided by contractor

- a. Contractor will provide construction water. Dust control for Subcontractors' work is the responsibility of Subcontractor.
- b. Contractor will shape and restore grade at features. IC will backfill and compact trenches upon completion of his work.
- c. Contractor will mark its drainage lines prior to Subcontractor working in an area. It is Subcontractor's responsibility to notify contractor 24 hours in advance of his work. The cost is repair damage to lines due to Subcontractor digging without proper notification will be charged to the Subcontractor.
- d. IC will remove excess spoils from his work. Contractor will provide of location for spoils.

3. Work provided by Subcontractor

Bid includes all materials, sales tax, labor, supervision and equipment to install the irrigation system for Black Rock G.C. per Harvey Mills Design sheets 11 thru 12 dated 5/19/2006 with addendum #1, 2, 3 & 4.

Note:

**Includes setting heads during grassing.
Material pricing is subject to change.**

Exclusions:

Prevailing wage.

Bond, Permits, Meters. Water and power usage

Retention on materials

Owner to provide meter and disconnect at pump station

Import or export of soil & debris. (Rock and debris to be piled next to holes by Precision Irrigation and disposed of by others).

Dust control. De-Watering. Re-Veg. Subcontractor will provide dust control and water for compaction for his scope of work.

Boring or excavating of concrete paths or roads.

Any unmarked utilities—See 2

Any vertical change resulting in additional fittings at road, wash and utility crossing for mainline.

Handling and re-stock of deleted items per plans.

4. As Built

IC will provide as built drawings satisfactory to the contractor, project manager and landscape architect. Payment of retention may be withheld until as built are complete.

5. Maintenance/Warranty

IC will clearly mark sprinklers and valves, etc. that it installs. We suggest a 4' wide path with flagging.

IC will provide warranty and guarantee per the specification

6. Mutual Responsibility

IC and Contractor agree to mutually respect the work of the other. Damage to work, work due to neglect, abuse or poor planning/scheduling may be reimbursable.

7. Trench Compaction

IC will take steps to adequately compact its trench backfill during construction. Cost to repair trench settlement is by IC.

8. Protection of existing trees

IC will stay away from existing trees with its equipment and personnel.

Exhibit D
Page 3 of 3

9. Protection of Erosion Control measures

Erosion Control measures for this project are significant feature of this project. IC will replace or re-install any erosion control it damages or disturbs in the prosecution of its work

EXHIBIT "A"
INCLUSIONS AND EXCLUSIONS
BLACK ROCK DEVELOPMENT, INC.

General Inclusions:

The work under this Contract includes, but is not limited to the following, all labor, materials, equipment, fasteners, delivery, and coordination required to complete the scope of work outlined below per the Contract drawings and specifications:

- DCX
1. Contractor shall submit a site specific safety plan prior to commencement of work. Contractor shall provide necessary personal protection safety gear, training and methods for its own employees.
 2. Contractor agrees to indemnify and hold harmless Owner for any and all governmental or regulatory fines, penalties, and/or assessments of any kind, including safety and environmental, arising from or in connection with their work resulting from Contractor being in noncompliance with governmental regulations. In the event such fines, penalties, and/or assessments are made against Owner as well as Contractor during the prosecution of the work itself and before Final Acceptance, Contractor agrees that said amounts may be withheld from any pending funds due and owing to Contractor, at Owner's sole discretion.
 3. All work to be done in compliance with federal, state and local laws, codes, ordinances and regulations and good industry practices, Contractor is responsible for obtaining all code standards and including the applicable costs for this scope of work.
 4. No accumulation of waste will be allowed. The work area shall be kept tidy and safe, including broom cleaning as needed.
 5. Contractor shall obtain and pay for building permits. Permit drawings shall be located on site with location. Contractor shall coordinate all necessary inspections with proper jurisdiction for own work.
 6. Contractor is aware of all scheduling and site conditions.
 7. Contractor shall provide all hoisting, scaffolding, staging, material handling and coordination required to complete own work.
 8. Parking is limited.
 9. No construction company and/or product advertising will be allowed on the jobsite. This prohibition includes advertising on structures and/or fencing. Permanently affixed truck and trailer logos are permitted.
 10. Contractor shall provide all protection of work during construction and shall protect all work and materials from loss and damage as required. Contractor shall also protect all work from damage during the performance of Contractor's work. Any damage caused by Contractor to work put in place must be corrected to Owner's satisfaction at Contractor's expense.
 11. Contractor shall provide all required coordination, design assistance, and interface with the Owner, Owner's Architect, all other trades, the general public and agencies affecting or affected by the work.
 12. Contractor shall perform no additional work nor perform work which will result in additional work being required without first obtaining written authorization from Black Rock Development, Inc.
 13. All construction shall be performed according to the most recently prescribed practice by qualified and if applicable certified workers. Any Contractor employees engaged in performance of the work are subject to the Owner's approval.
- X

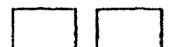


EXHIBIT "A"
INCLUSIONS AND EXCLUSIONS
BLACK ROCK DEVELOPMENT, INC.

14. Contractor shall provide onsite a designated, competent, and full time Superintendent who shall represent the Contractor at all times and shall have authority to act for Contractor. Contractor's Superintendent shall have no other obligations or responsibilities other than the work to be performed for Owner. All directions and notices given to and by such Superintendent shall be binding on Contractor. Contractor's Superintendent shall coordinate work closely with the Owner and shall take all measures and actions to ensure proper completion of the work in accordance with the Project Schedule and as directed by the Owner. Contractor's Superintendent shall be made available for weekly Owner's coordination meetings. Contractor's Superintendent is required to have the Contract and applicable specification sections on site made available by Contractor's main office.
15. Contractor shall perform and complete its own work in accordance with Contractor's project schedule and shall coordinate daily activities with Owner.
16. Contractor shall provide one (1) copy of record documents, drawings, warranties and operations and maintenance information required for project closeout. Operation and maintenance (O/M) manuals will be the basis for the Owner training materials and shall be completed and submitted to Owner prior to receipt of final payment and retainage if any.
17. Contractor shall keep such full and detailed accounts as are necessary for proper financial management under this Agreement. Contractor shall maintain a complete set of all books and records prepared or used by Contractor with respect to the Project. Owner shall be afforded access to all Contractor's records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda and similar data relating to this agreement. Contractor shall preserve all such records for a period of three years after the final payment or longer where required by Law.
18. Owner change order requests: Contractor shall be responsible for a 10-day response, from the date distributed, and turn around time to Owner Change Order Requests. In the event a response is not received by Owner on or before the date specified on the Contractor Change Order Requests, it will indicate that Contractor consents to the work being performed with no change in the contract amount.
19. All pricing will include applicable State Taxes.

Specific Inclusions:

- X
1. Contractor to review a minimum of 3 bids for all subcontracted work.
 2. Contractor to review a minimum of 3 bids for all materials.
 3. Contractor to review, approve and submit invoices with appropriate backup to Black Rock Development, Inc. for payment.

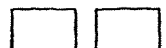


EXHIBIT "B"
CONTRACT SUPPLEMENTAL CONDITIONS
BLACK ROCK DEVELOPMENT, INC. - BLACK ROCK NORTH

The following Contract Supplemental Conditions shall supplement the Contract Agreement and the Contract General Provisions.

1. DEVIATIONS:

No deviations from the Contract plans, specifications, or approved submittals will be allowed without prior written consent of Owner.

2. SCHEDULE:

The Contractor shall plan its work to meet the Owner's Schedule. It is the Contractor's responsibility to allocate the necessary manpower, material and equipment to meet this schedule which is part of the Contract Agreement. All detailed construction activities are to be coordinated with the Owner. If, in the opinion of Owner, the Contractor falls behind schedule, the Contractor shall take such steps as may be necessary to improve its progress, and Owner may require the Contractor to increase its labor force, the number of shifts, amount of overtime work, days of work, including Saturdays, Sundays, Holidays and/or the amount of construction plant and equipment, all without increase in Contract Price.

3. DELIVERIES:

Contractor shall make final coordination of materials deliveries with the Owner. Contractor shall have representative on-site to accept all deliveries.

4. SUBMITTALS:

- a. Submit within 10 days of award of Contract:
 1. (3) blue-line copies of shop drawings for approval.
 2. (2) copies of catalog data, brochures, material schedules, etc.
 3. (2) samples of each product as required.
- b. All submittals shall be accompanied by a letter of transmittal.
- c. Approval of submittals shall not relieve the contractor from full compliance with contract requirements.

5. SUPERVISION AND EMPLOYEES:

Contractor shall have a competent Superintendent/Foreman on the job supervising the work, who has authority to act for Contractor. Contractor agrees to remove from the job any of his employees who are unsatisfactory to the Owner.

6. OVERTIME AND/OR SHIFT WORK:

If Contractor is directed to perform work on an overtime basis by Black Rock for reasons beyond the Contractor's control, additional compensation to Contractor shall be limited to the direct cost of the overtime premium and legally required fringe benefits.

7. SEQUENCING, BARRICADING AND TRAFFIC CONTROL:

Any sequencing and barricading shall provide for the complete safety of the public and all construction personnel, shall create a minimum of interference with the normal flow of pedestrians and vehicles either on or off the site. This shall include, among other things, flagmen and/or traffic plates across trenches to provide uninterrupted traffic flow. Contractor's proposed method of sequencing, barricading, traffic control, etc; shall be submitted to and have prior approval of Owner or his designee.

8. PARKING AND STORAGE AREAS:

The parking of equipment, storage of material, parking of construction personnel's vehicles and use of any permanent facilities in the project shall be as directed by the Owner or his designee.

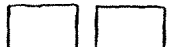


EXHIBIT "B"
CONTRACT SUPPLEMENTAL CONDITIONS
BLACK ROCK DEVELOPMENT, INC. - BLACK ROCK NORTH

9. REMEDIAL WORK:

Cutting, patching, repairing and any other remedial work that becomes necessary as a result of Contractor's work shall be either performed by or paid for by the Contractor whose work necessitated such repairs.

10. CHANGE ORDER PRICING:

All change order cost estimates shall be submitted directly to Owner for review and evaluation prior to submittal to the Architect. Any and all questions relating to Contractor's pricing of change orders shall be handled by Owner. If anyone other than owner attempt to review Contractor's change order pricing directly with the Contractor, Contractor shall refrain from such review and direct the party to the Owner.

11. SAFETY REQUIREMENTS:

In addition to the safety precautions set forth in the General Conditions Contractor and Contractor's vendors shall abide by all of Black Rock's safety programs which are as follows:

- a. Provide Owner or his designee a copy of all Material Safety Data Sheets.
- b. Conduct your own, or attend Black Rock weekly safety meetings. If you elect to conduct your own, weekly meeting minutes will be transmitted to Owner or his designee.
- c. Provide contractor with a copy of job specific fall protection and accident prevention plan prior to proceeding with work.
- d. Hard hats, safety glasses and work boots to be worn at all times.

12. Black Rock is committed to run all operations in a manner that is protective of human health and the environment. The Contractor/Vendor shall be responsible to abide by best management practices.





EXHIBIT "C"
CONDITIONAL LIEN WAIVER, RELEASE AND SUBORDINATION

Payment Amount: \$.00
 For Work Through: , 2006

TO: Black Rock Development, Inc.
 P.O. Box 3070
 Coeur d'Alene, ID 83814

RE:

Upon receipt of payment of the sum of \$ _____, the undersigned waives any and all right to any lien whatever and releases all rights to lien or claim any lien against the real property associated with the above Project by the undersigned in connection with any and all work or labor performed, materials, equipment, goods, or things supplied or furnished, or any other claims or obligations owed through the date shown above, on the above-named Project.

This waiver and release does not cover rights or obligations that might accrue after the above date for additional work that may be performed. In addition, upon receipt of the payment stated above, the undersigned agrees that any lien that may be filed for work performed after said date will only have lien priority from and after the date stated above and will be subordinate to any liens or encumbrances attaching to the subject property prior to said date.

As an inducement to the above-named Owner to make the payment first described above, the undersigned further covenants and represents that it has performed the work and/or furnished the materials pursuant to and in accordance with the plans and specifications or work order in effect up through _____, 2006. The undersigned further covenants and represents that either all obligations related to labor, equipment, supplies, materials, lower tier subcontractors at all levels and consultants through the date first stated above have been fully paid, or all such obligations will be paid first out of the funds to be received before any of said funds will be applied to any other purpose and the payment first described above will be sufficient to fully satisfy all such obligations.

If signed on behalf of a company, the undersigned certifies under penalty of perjury under the laws of the State of Idaho that he or she is authorized to execute the same on behalf of the company to be bound.

COMPANY: _____
 By: _____
 Its: _____

STATE of _____)
) ss.
 County of _____)

On this _____ day of _____, 2006, before me, the undersigned, a Notary Public in and for the State of _____, personally appeared _____, known or identified to me to be the _____ of _____, the corporation that executed the foregoing instrument and acknowledged the said instrument to be a free and voluntary act and deed of the corporation, for the uses and purposes set forth therein, and on oath stated that he is authorized to execute said instrument on behalf of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

 Notary Public in and for the State of _____
 Residing at: _____
 My Commission Expires: _____

EXHIBIT "D"

SUBCONTRACTOR'S APPLICATION FOR PAYMENT



Address City, State, Zip		Telephone Fax
Job Name:	From:	
Address:		
City/State:		
	Pay Application #:	1
	Billing Period:	

PAY REQUEST CALCULATION:

	(A) Amount	(B) Amount Billed Prior Periods	(C) Amount Billed This Period	(D) Total Amount Billed to Date	(E) Total % Complete
1) Base Contract:	_____	// _____	+ _____	= _____	_____
Change Orders:					
C. O. #1	_____	// _____	+ _____	= _____	_____
C. O. #2	_____	// _____	+ _____	= _____	_____
2) Total Approved Contract:	_____	// _____	+ _____	= _____	_____
3) Less Retainage @			_____	_____	
4) Total Earned Less Retainage:			_____	_____	
5) Less Previous Net Billings:			_____	_____	
CURRENT PAYMENT DUE:			_____	_____	

(C4 must equal D5)

Date: _____ Authorized Signature: _____

1926

EXHIBIT "F"
SUBSTANCE ABUSE PROGRAM REQUIREMENTS
BLACK ROCK DEVELOPMENT, INC.

Contractor shall develop, implement, and maintain a Substance Abuse Program (SAP) to assure all contractor employees are free from drug and alcohol impairments.

Contractor shall provide a letter, which confirms their compliance with this requirement in the Site Specific Safety Plan, which is required by Contractor General Conditions (Section N- Housekeeping and Safety). An example letter is attached. Contractor shall submit the Site Specific Safety Plan for review prior to beginning work on the project.

Contractor's SAP shall be developed to meet or exceed the requirements of Owner's SAP. A copy of Owner's SAP will be made available upon request. Key elements of Owner's SAP include:

Mandatory Pre-Employment Testing

Reasonable Suspicion and Post-Accident Involvement Testing

Contractor shall pay all costs associated with developing, implementing, achieving and maintaining the SAP for their employees. These costs include, but are not limited to, transportation costs, laboratory costs, collection costs, and wages during testing.

Contractor shall indemnify and hold harmless Owner against any and all claims, demands, suits, or liability that may arise out of the development, implementation, achievement, and maintenance of the SAP.

EXHIBIT "F"
SUBSTANCE ABUSE PROGRAM REQUIREMENTS
BLACK ROCK DEVELOPMENT, INC.

(date)

Black Rock Development, Inc.
P.O. Box 3070
Coeur d'Alene, ID 83816

Attn: (Project Manager)

RE: (Project Name)

(Contractor Name) has developed and will maintain a Substance Abuse Program (SAP) to assure that all contractor employees are free from drug and alcohol impairments. Our SAP meets or exceeds the requirements of Black Rock Development, Inc. Substance Abuse Program and allows testing for reasonable suspicion and post-accident involvement situations.

We currently plan to place the following employees on this project and we certify that they have been tested in accordance with our SAP.

(employee name)
(employee name)
(employee name)
(employee name)

If additional employees are placed on the project, we will test them in accordance with our SAP policy.

We understand that Black Rock Development, Inc. may elect to check our SAP compliance by reviewing program requirements and auditing employee test records. We will cooperate fully with this compliance check process.

Sincerely,

(Contractor Representative)

EXHIBIT "E"

Plans & Specs

This sub-contract work shall be performed in accordance with Irrigation Plans (Sheets I-1 through I-12) dated May 19, 2006, by Harvey Mills Design, Golf Course Irrigation Consulting, 23741-Moonglow Court, Ramona, California 92065 (Tel: 760-787-0842). Work shall meet the written specifications requirements: Section #02815 Reclaimed Irrigation System (pages #02815-12 through #02815-43. Work also includes applicable portions of Addendums # 1, 2, 3 & 4.

Addendum #4

Project: 18 Hole Golf Course Construction Project

Issued By: Taylor Engineering, Inc.
W. 106 Mission Ave.
Spokane, WA 99201
Ph: (509) 328-3371
Fax: (509) 328-8224
Attn: Ronald G. Pace, P.E.

Date: July 14, 2006

This ADDENDUM #4 is applicable to the items affected and all Bidders are responsible for the contents herein. Its purpose is to clarify information given in the Contract Documents. This ADDENDUM #4 hereby becomes a part of the Contract Documents.

1. Specifications for 18 Hole Golf Course – General Clarification

Add the following:

“Practice Range Target Greens section is to be constructed using the same section as the tees. They shall be grassed the same as the course greens”.

2. Specifications for 18 Hole Golf Course – General Clarification

Add the following:

Delete from the base bid any reference to Sand Mat and Fabric Liner on the faces and floors of the bunkers.”

3. Plan Sheet 6 of 36 – Mass Grading, Site Storm Water Drainage and Erosion Control Plans

Revise this plan as follows:

“Add the 8 inch diameter cross culvert through Golf Hole #9. Refer to the attached 8 ½” by 11” plan labeled “Plan Revision #6”

4. **Plan Sheet 8 of 36 – Mass Grading, Site Storm Water Drainage and Erosion Control Plans**

Revise this plan as follows:

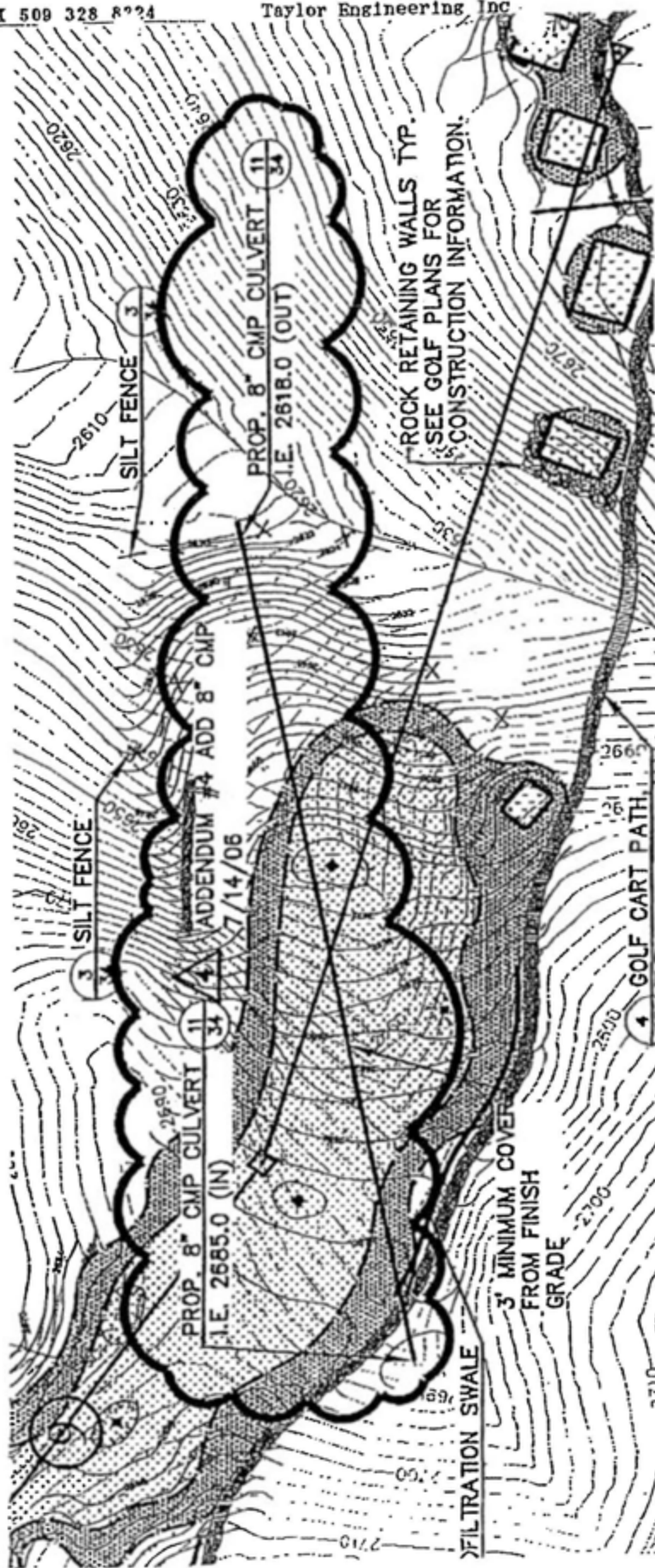
"Revise the trench drain and add 8 inch diameter solid wall pipe in the area of the Practice Range as shown. Refer to the attached 8 ½" by 11" plans labeled "Plan Revision #7A, 7B, 7C and 7D".

5. **Golf Course Drainage Plan – Holes 1,2,3,7 & 8**

Add the following to the plan:

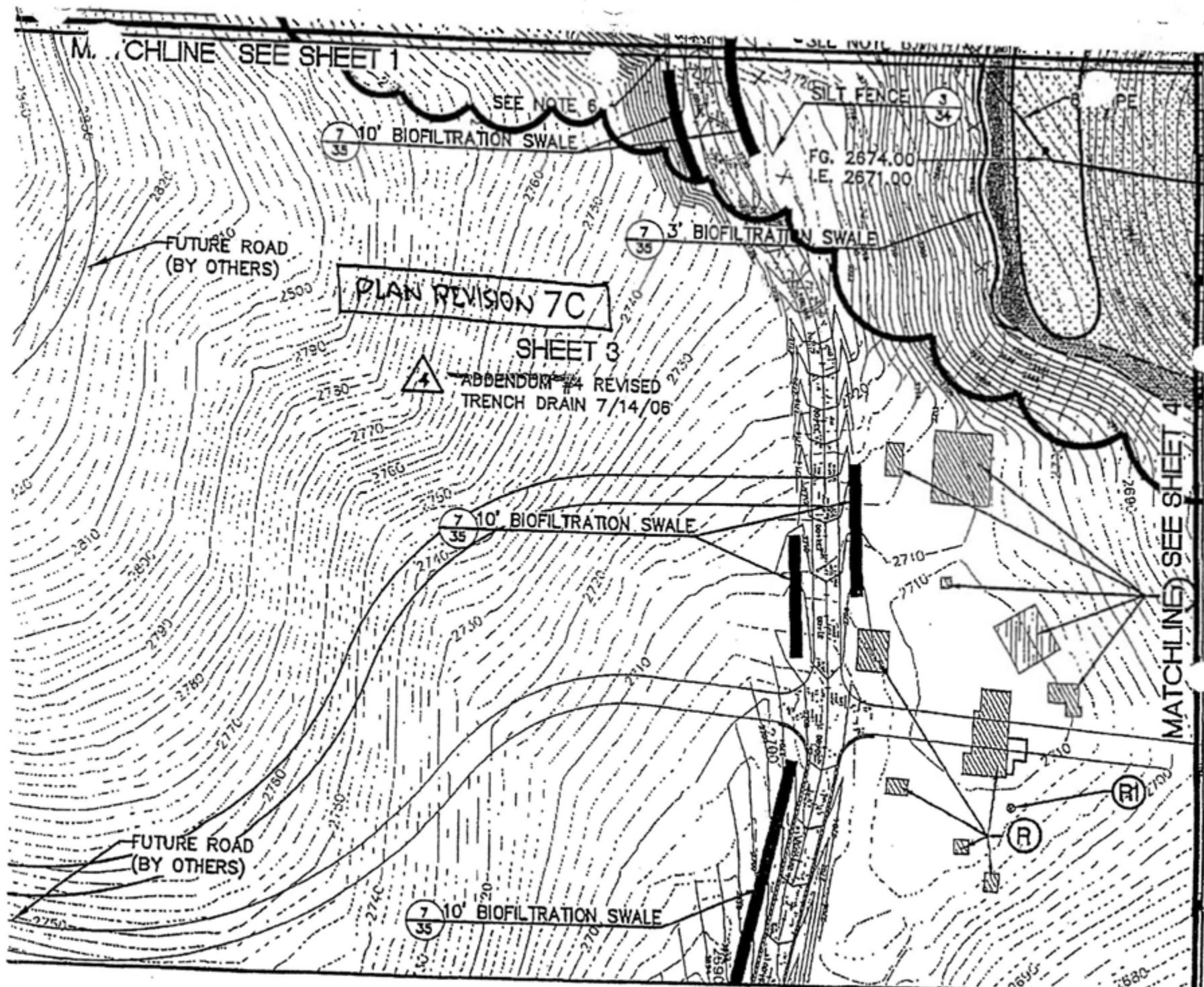
"Add a 6 inch diameter solid wall outlet pipe from the drainage structure below the angle point on Golf Hole #1 into the irrigation pond. This pipe shall outlet into the pond through the PVC liner. The liner penetration shall be per the detail in the plans."

End of Addenda #4



PLAN REVISION #6

1935

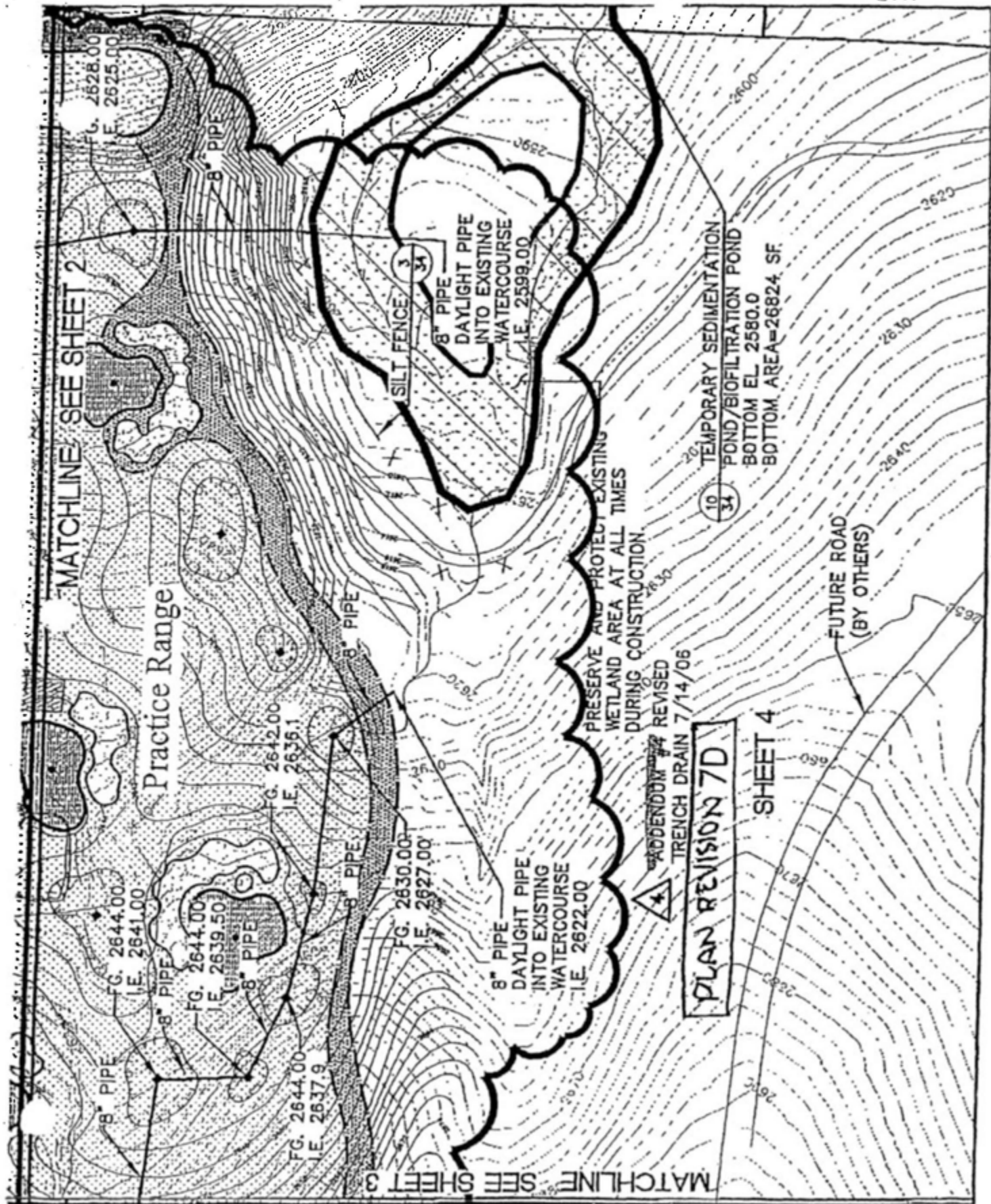


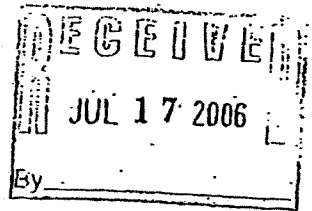
07/14/2006 11:23 FAX 509 328 8924

Taylor Engineering Inc

0007

WGC-mt000890





Addendum #3

Project: 18 Hole Golf Course Construction Project

Issued By: Taylor Engineering, Inc.
W. 106 Mission Ave.
Spokane, WA 99201
Ph: (509) 328-3371
Fax: (509) 328-8224
Attn: Ronald G. Pace, P.E.

Date: July 12, 2006

This ADDENDUM #3 is applicable to the items affected and all Bidders are responsible for the contents herein. Its purpose is to clarify information given in the Contract Documents. This ADDENDUM #3 hereby becomes a part of the Contract Documents.

1. Specifications for 18 Hole Golf Course – Article 8 Cart Paths

Add the following to this Article:

“The two golf cart turnouts per green and three golf cart turnouts per tee complex that have been added to the base bid via Addenda #1, shall each be 20 feet long.”

“All cart path curbs shall be 4 inch curb”

15. Plan Sheet 4 of 36 – Mass Grading, Site Storm Water Drainage and Erosion Control Plans

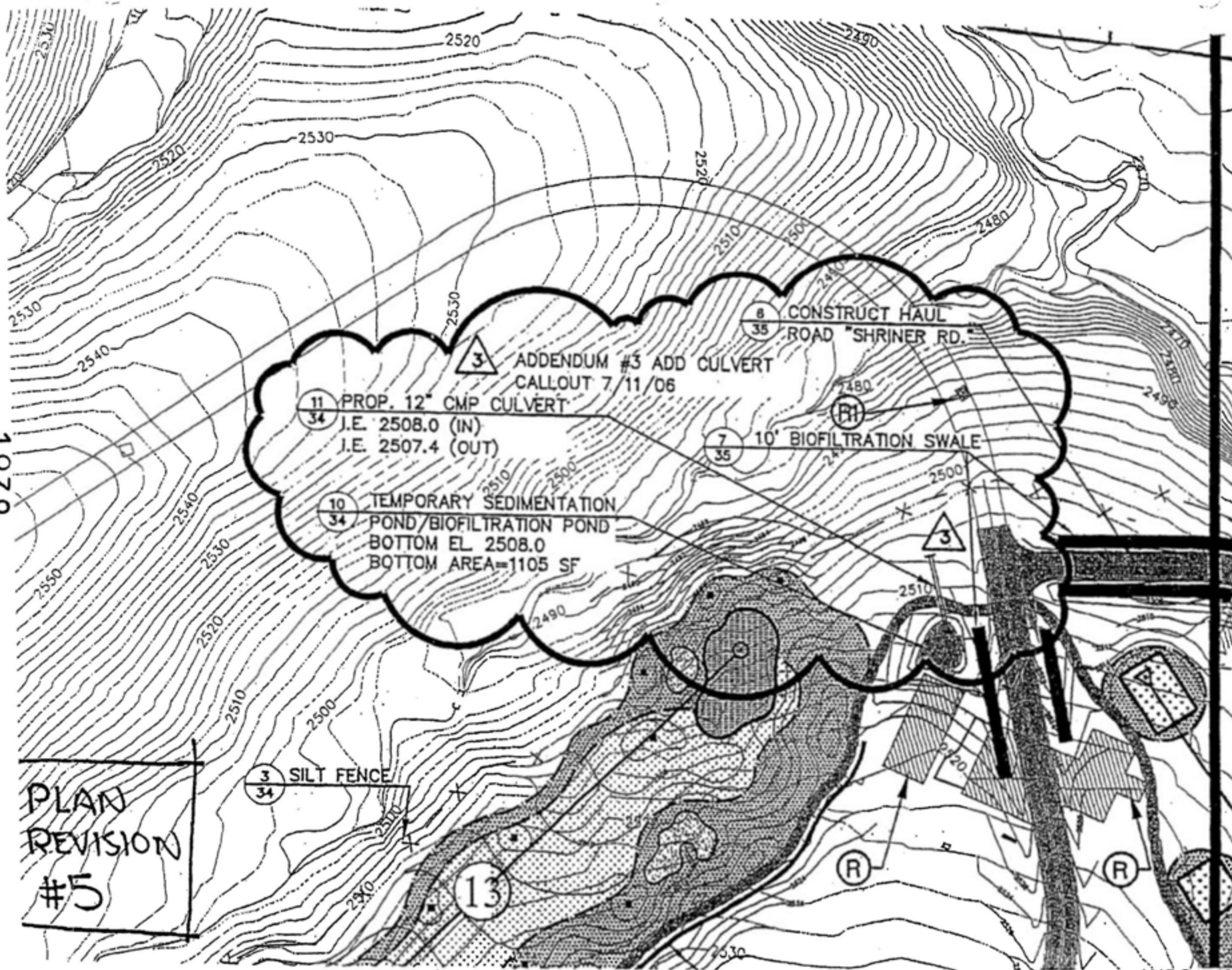
Revise this plan as follows:

The culvert under the cart path adjacent to the green on Golf Hole #13 shall be 12 inch diameter. Refer to the attached 8 ½” by 11” plan labeled “Plan Revision #5”

End of Addenda #3

1938

PLAN
REVISION
#5



Addendum #2

Project: 18 Hole Golf Course Construction Project

Issued By: Taylor Engineering, Inc.
W. 106 Mission Ave.
Spokane, WA 99201
Ph: (509) 328-3371
Fax: (509) 328-8224
Attn: Ronald G. Pace, P.E.

Date: July 10, 2006

This ADDENDUM #2 is applicable to the items affected and all Bidders are responsible for the contents herein. Its purpose is to clarify information given in the Contract Documents. This ADDENDUM #2 hereby becomes a part of the Contract Documents.

1. Invitation to Bidders – Bid Closing Date /Time

Revise the Bid Closing Date / Time from "July 14, 2006 @ 5:00 p.m." to "July 17, 2006 @ 5:00 p.m." All other instructions are unchanged.

End of Addenda #2

Addendum #1

Project: 18 Hole Golf Course Construction Project

Issued By: Taylor Engineering, Inc.
W. 106 Mission Ave.
Spokane, WA 99201
Ph: (509) 328-3371
Fax: (509) 328-8224
Attn: Ronald G. Pace, P.E.

Date: June 29, 2006

This ADDENDUM #1 is applicable to the items affected and all Bidders are responsible for the contents herein. Its purpose is to clarify information given in the Contract Documents. This ADDENDUM #1 hereby becomes a part of the Contract Documents.

1. Pre-Bid Meeting Minutes of June 23, 2006

These "Pre-Bid Meeting Minutes" are attached to this Addendum #1, including the attendance list.

2. Bidder's Checklist

The attached "Bidder's Checklist" (Green Cover Page) shall be filled out by the Prime Bidders and returned to the office of Taylor Engineering, Inc. on the bid date.

3. Invitation to Bidders – Bid Closing Date /Time

Revise the Bid Closing Date / Time from "July 7, 2006 @ 10:00 a.m." to "July 14, 2006 @ 5:00 p.m." All other instructions are unchanged.

4. Contract General Conditions – D. Payment

Add the following to this section:

"Retainage shall be accumulated at the rate of ten percent (10%) up to fifty percent (50%) of the total contract amount. Release of retainage will be evaluated by the Owner at the time of Substantial Completion. The amount of retainage held

after Substantial Completion will be based upon the value of remaining work at the Owner's sole discretion. Partial payments may be made if the held retainage exceeds the value of the remaining work".

5. Special Provisions – Item 3

Add the following to this section:

"Backflow prevention will not be required on the source for construction water as it is a non-potable system."

6. Special Provisions – Item 7

Revise this section as follows:

"All Work shall be substantially completed by September 30, 2007."

"The Work shall be totally completed by October 31, 2007"

Add the following section as follows:

"Consideration of weather related delays that impact total completion on October 31, 2007 will be made by the Owner. The Owner may consider extending the total completion of weather sensitive punch list work until the Spring, 2008 at their sole discretion."

7. Measurement and Payment – Section 01025

Delete "T. Item C-9 Bridges" in its entirety and re-number "*U. Item C-9 Golf Course Finish Shaping and Contouring through BB. Item C-16 Golf Course Irrigation Pumping Facility*" to be consistent with the Bid Form.

"Cart path bridges will not be included in this base contract."

8. Construction Facilities and Temporary Controls – Section 01500

Add the following to this section:

"The residence at golf hole #14 can be used temporarily by the Contractor on a rent free basis as an office / residence as long as its use does not impact the overall construction / demolition schedule. The Contractor shall use the premises at their own risk and shall pay all costs including but not limited to utilities, security, etc. The structure shall be demolished in conformance with the contract documents prior to substantial completion."

Add the following to Section 1.03 Temporary Water Service as follows:

"Backflow prevention and water meter will not be required at the construction water source. The source will be a fire hydrant in the vicinity of Loff's Bay Road that is connected to the exiting non-potable irrigation water system at the Club at Black Rock."

9. Temporary Erosion Control – Section 02110

Revise Temporary Erosion Control – Section 02110 as follows:

"Revise all references of *Straw Bale Check Dams* to *Rock Check Dams*. Straw bale check dams will be replaced in their entirety with Rock Check Dams in these contract documents. Contractor shall note the locations shown on the drawings and replace *Straw Bale Check Dams* with *Rock Check Dams*."

10. Specifications for 18 Hole Golf Course – Section 5.5 Lake Shoreline

"Delete this section in its entirety. Lake shorelines will not have a fiber-reinforced concrete apron".

11. Specifications for 18 Hole Golf Course – Section 6.6 Planting

Revise this section as follows:

"The Contractor shall include *20 acres* of sod in the base bid, not the *100,000 square feet* as referenced in this section."

12. Specifications for 18 Hole Golf Course – Article 7 Bridges

"Delete this section in its entirety. Cart path bridges will not be included in this base bid. They may be added via change order at a later date by the Owner."

13. Specifications for 18 Hole Golf Course – Article 8 Cart Paths

Add the following to this Article:

"Add 800 feet of 10 foot wide golf cart path to the base bid. The location will be from the Clubhouse to the Practice Range."

"Add two golf cart turnouts per green and three golf cart turnouts per tee complex to the base bid. The exact locations will be determined in the field."

14. Sand Sources

Add the following to these contract documents:

"Sand Sources for Sandcap, Bunker Sand, Green / Tee Sand are as follows:

Greens / Tees – Unipar TD301, 90/10 Blend with reed sedge peat (Source – Unimin Corporation, Emmitt, ID)

Bunkers – Unipar BB202 (Source – Unimin Corporation, Emmitt, ID)

Fairways – Screened bank sand (Source – Zanetti Bros., Coeur d'Alene, ID)"

15. Irrigation System Improvements Project Manual

Add the following to this manual:

"Golf holes #2 - #8 and the Practice Range will use "Purple" Pipe throughout as these areas will use reclaimed effluent for irrigation water."

16. Geotechnical Report

A copy of the geotechnical report prepared by Strata, Inc. is included in this Addenda #1 for informational purposes only.

17. Cut / Fill Maps

A copy of the cut / fill maps prepared by Taylor Engineering, Inc. during the design process is included in this Addenda #1 for informational purposes, only.

18. Compact Disk of Plans

A compact disk of the plan set on Autocadd is included in this Addenda #1 for informational purpose, only.

19. Plan Sheet 4 of 36 – Mass Grading, Site Storm Water Drainage and Erosion Control Plans

Revise this plan as follows:

Delete the riprap lined channel at Golf Hole #11. Refer to the attached 8 ½" by 11" plan labeled "Plan Revision #1"

20. Plan Sheet 35 of 36 – Mass Grading, Site Storm Water Drainage and Erosion Control Plans

Revise Details 5 and 6 as follows:

"Revise the total ballast depth from 19 inches to 16 inches. Refer to the attached 8 ½" by 11" plans labeled "Plan Revision #2" and "Plan Revision #3"

21. Plan Sheet I-3 Communication of the Irrigation Plans

Revise the plan as follows:

"Communication wire has been re-routed. Contractor to stub-out communication wire south of #2 green. Owner will take wire from this point to maintenance building. The MIM and MIXM will now be located in the maintenance building instead of the pump station building."

Refer to the attached 8 ½" by 11" plan labeled "Plan Revision #4"

22. Plan Sheet I-11 Irrigation Details – Legend – Central Control Computer of the Irrigation Plans

Revise the plan as follows:

"Remove the MRLK 900 kit from the bid. The central will be hardwired."

End of Addenda #1

EXHIBIT 5

1945

UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of \$ 121,072.41 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 8/31/08 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 10/20/2008

PRECISION IRRIGATION INC.

(Company)



(Signature)

Pres.

(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project: BLACK ROCK

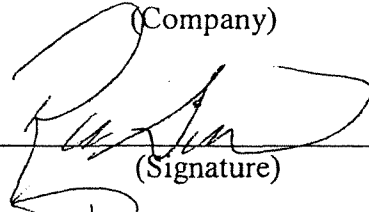
The undersigned has been paid and has received a progress payment in the sum of \$ 96,723.89 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 07/25/08 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: Oct 6, 2008

PRECISION IRRIGATION INC

(Company)


(Signature)

President
(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of \$ 15,230.83 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 07/25/08 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 09/30/08

PRECISION IRRIGATION INC
AND HORIZON DISTRIBUTORS INC

(Company)



(Signature)



(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project: BLACK ROCK

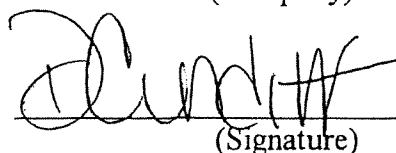
The undersigned has been paid and has received a progress payment in the sum of \$ 19,130.64 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 07/25/08 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 9/30/08

PRECISION IRRIGATION INC
AND H.D. FOWLER CO.

(Company)



(Signature)

ACCOUNT MANAGER

(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

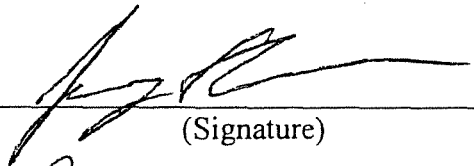
Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of \$ 5,200.74 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 02/29/08 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 4/25/08

PRECISION IRRIGATION INC
(Company)


(Signature)

Project Manager
(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

On Retention

Project: BLACK ROCK

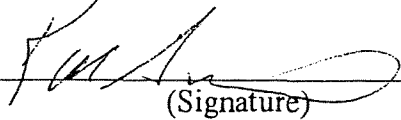
The undersigned has been paid and has received a progress payment in the sum of \$ 33,198.27 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 02/28/08 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 3/27/2008

PRECISION IRRIGATION

(Company)


(Signature)

Pres.
(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT


Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of \$ 27,390.11 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 10/31/07 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 1/4/08

PRECISION IRRIGATION
(COMPANY)


(Signature)
Project Mgr
(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

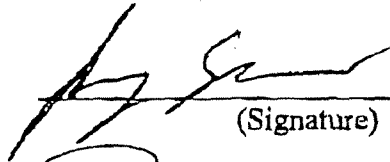
Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of \$ 151141.65 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 09/31/07 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 12-21-07

PRECISION IRRIGATION
(COMPANY)


(Signature)
Project Mgr.
(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

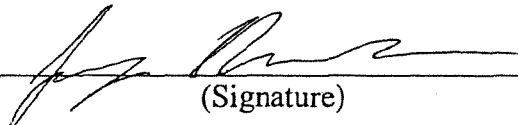
Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of \$ 110815.23 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 08/31/07 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 11/7/07

PRECISION IRRIGATION
(COMPANY)


(Signature)
Project Mgr
(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

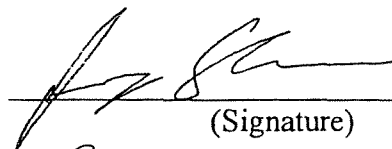
Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of \$ 114562.85 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 07/31/07 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 9/26/2007

PRECISION IRRIGATION
(COMPANY)


(Signature)
Project Manager
(Title)

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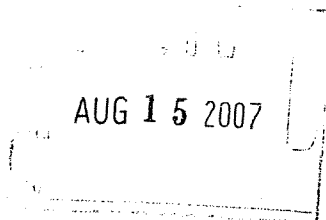
UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of \$ 299243.70 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 06/30/07 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 8/10/07



PRECISION IRRIGATION INC
(COMPANY)

(Signature)

Pres.
(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of \$ 38530.46 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 06/30/07 only and does not cover any retention pending, modifications and changes or items furnished after that date.

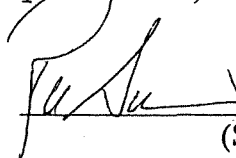
The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 8/15/07

AUG 15 2007

PRECISION IRRIGATION INC

(COMPANY)



(Signature)

Pres

(Title)

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UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

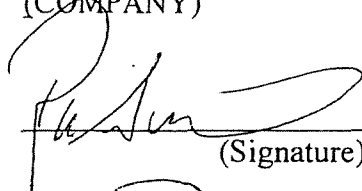
Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of \$ 33334.18 for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 05/30/07 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 6-28-2007

PRECISION IRRIGATION
(COMPANY)


(Signature)

Pres.

(Title)

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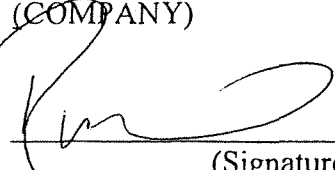
UNCONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT

Project: BLACK ROCK

The undersigned has been paid and has received a progress payment in the sum of **\$ 381,361.23** for all labor, services, equipment or material furnished to WADSWORTH GOLF CONSTRUCTION COMPANY on the job of BLACK ROCK located at: 212 IRONWOOD DR, STE D #150, COEUR D'ALENE, ID, 83814 and does hereby release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the above referenced project to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to WADSWORTH GOLF CONSTRUCTION COMPANY through 03/30/07 only and does not cover any retention pending, modifications and changes or items furnished after that date.

The undersigned warrants that he either has already paid or will use the monies he receives from the progress payment to promptly pay all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or service provided for or to the above referenced project up to the date of this waiver.

Date: 5-18-07

PRECISION IRRIGATION INC
(COMPANY)

(Signature)
Pres
(Title)

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MAY 21 2007

CONDITIONAL WAIVER AND RELEASE ON FINAL PAYMENT

(Pursuant to A.R.S. § 33-1008)

Project: Black Rock North Golf Course

Job No.: _____

On receipt by the undersigned of a check from Wadsworth Golf Construction

(Maker of Check)

In the sum of \$ 198,479.32 payable to Precision Irrigation Inc.

(Amount of Check)

(Payee or Payees of Check)

and when the check has been properly endorsed and has been paid by the bank on which it is drawn, this document becomes effective to release any Mechanic's Lien, any state or federal statutory bond right, any private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position, the undersigned has on the job of Black Rock North Golf Course

BRN Development

located at Coeur d'Alene, Idaho

(Owner)

(Job Description)

This release covers the final payment to the undersigned for all labor, services, equipment or materials furnished to the jobsite or to _____

Black Rock North Golf Course Wadsworth Golf

(Person with whom Undersigned Contracted)

except for disputed claims in the amount of \$ 0.00. Before any recipient of this document relies on it, the person should verify evidence of payment to the undersigned.

The undersigned warrants that he either has already paid or will use the monies he receives from this final payment to promptly pay in full all his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or services provided for or to the above referenced project up to the date of this waiver.

DATED: 04-27-2009

Precision Irrigation Inc.

(Company Name)

By: 

(Signature)

Pres.

(Title)

AD10000000

EXHIBIT 6

1961

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

TO OWNER: Black Rock Development, Inc.
912 Northwest Boulevard
P O Box 3070
Coeur D'Alene 83816

PROJECT: Black Rock North Golf Course
Coeur d'Alene, ID

APPLICATION NO: 217-01

Distribution to:
☒ OWNER
☐ ARCHITECT
☐ CONTRACTOR

FROM CONTRACTOR: Wadsworth Golf Construction Co.
600 N. 195th Avenue
Buckeye, AZ 85326

VIA ARCHITECT: Tom Weiskopf Signature Design
7580 E. Gray Road
Scottsdale, AZ 85254

PERIOD TO: 10/31/2006
APPLICATION DATE: 10/31/2006

PROJECT NOS: 217

CONTRACT FOR: Golf Course and Irrigation System Construction

CONTRACT DATE: 9/29/2006

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM \$ 9,712,668.00

2. Net change by Change Orders \$ 0.00

3. CONTRACT SUM TO DATE (Line 1 + 2) \$ 9,712,668.00

4. TOTAL COMPLETED & STORED TO DATE (Column G on G703) \$ 42,500.00

5. RETAINAGE

a. 10 % of Completed Work \$ 4,250.00
(Column D + E on G703)

b. 0 % of Stored Material \$
(Column F on G703)

Total Retainage (Lines 5a + 5b or Total in Column I of G703) \$ 4,250.00

6. TOTAL EARNED LESS RETAINAGE \$ 38,250.00
(Line 4 Less Line 5 Total)

7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate) \$ 0.00

8. CURRENT PAYMENT DUE \$ 38,250.00

9. BALANCE TO FINISH, INCLUDING RETAINAGE \$ 9,674,418.00
(Line 3 less Line 6)

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
Total approved this Month	\$0.00	\$0.00
TOTALS	\$0.00	\$0.00
NET CHANGES by Change Order	\$0.00	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR:

By:

Stephen Harrell

State of: Arizona

Subscribed and sworn to before me this

Notary Public:

My Commission Expires:

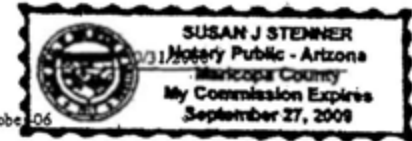
County of: Maricopa

31 st day of

27-Sep-09

Date:

October 2006



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:

By:

Date:

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

ET 67 63

CONTINUATION SHEET

AIA DOCUMENT G703

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 217-01

APPLICATION DATE: 10/31/06

PERIOD TO: 10/31/06

CONTRACTORS PROJECT NO: 217

ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G + C)		
1	Mobilization	\$ 264,338.00	\$0.00	\$15,000.00	\$0.00	\$15,000.00	6%	\$249,338.00	\$1,500.00
2	Traffic Control	\$ 10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$10,000.00	\$0.00
3	Clearing / Grubbing / Site Prep	\$ 10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$10,000.00	\$0.00
4	Mass Grading - Main Site	\$ 45,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$45,000.00	\$0.00
5	Mass Grading - Panhandle Site	\$ 30,000.00	\$0.00	\$10,000.00	\$0.00	\$10,000.00	33%	\$20,000.00	\$1,000.00
6	Lake Construction	\$ 231,465.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$231,465.00	\$0.00
7	Erosion Control	\$ 279,075.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$279,075.00	\$0.00
8	Supervision / Administration	\$ 196,000.00	\$0.00	\$7,500.00	\$0.00	\$7,500.00	4%	\$188,500.00	\$750.00
	Sand Cap Fairways	\$ 1,104,520.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$1,104,520.00	\$0.00
10	Topsoil Roughs	\$ 142,450.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$142,450.00	\$0.00
11	Topsoil Native Areas	\$ 72,100.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$72,100.00	\$0.00
12	Rough Shaping	\$ 297,060.00	\$0.00	\$10,000.00	\$0.00	\$10,000.00	3%	\$287,060.00	\$1,000.00
	Drainage								
13	4" Perforated Pipe - Fwys	\$ 340,200.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$340,200.00	\$0.00
14	4" Solid Pipe	\$ 120,395.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$120,395.00	\$0.00

CONTINUATION SHEET

AIA DOCUMENT G703

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 217-01

APPLICATION DATE: 10/31/06

PERIOD TO: 10/31/06

CONTRACTORS PROJECT NO: 217

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G + C)		
15	6" Solid Pipe	\$ 11,115.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$11,115.00	\$0.00
16	8" Solid Pipe	\$ 4,020.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$4,020.00	\$0.00
17	10" Solid Pipe	\$ 1,827.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$1,827.00	\$0.00
18	12" Drain Inlets	\$ 73,470.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$73,470.00	\$0.00
	Feature Construction								
19	Green Construction	\$ 642,709.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$642,709.00	\$0.00
20	Tee Construction	\$ 314,543.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$314,543.00	\$0.00
21	Bunker Construction	\$ 388,355.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$388,355.00	\$0.00
	Cart Path								
22	Subgrade Prep & Backfill	\$ 62,750.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$62,750.00	\$0.00
23	8' Wide Concrete	\$ 725,893.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$725,893.00	\$0.00
24	10' Wide Concrete	\$ 25,680.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$25,680.00	\$0.00
25	12' Wide Concrete	\$ 91,226.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$91,226.00	\$0.00
26	Concrete Wideouts	\$ 22,851.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$22,851.00	\$0.00
	Concrete Curb	\$ 63,525.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$63,525.00	\$0.00
28	Finish Shaping & Contouring	\$ 212,990.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$212,990.00	\$0.00
29	Rockpicking	\$ 46,700.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$46,700.00	\$0.00
30	Seedbed Preparation	\$ 320,045.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$320,045.00	\$0.00
31	Soil Amendments / Fertilizer	\$ 45,401.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$45,401.00	\$0.00
	Grassing								

CONTINUATION SHEET

AIA DOCUMENT G703

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

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In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 217-01

APPLICATION DATE: 10/31/06

PERIOD TO: 10/31/06

CONTRACTORS PROJECT NO: 217

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G + C)		
32	Tee Grassing	\$ 17,214.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$17,214.00	\$0.00
33	Green Grassing	\$ 15,242.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$15,242.00	\$0.00
34	Fairway Grassing	\$ 129,551.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$129,551.00	\$0.00
35	Rough Grassing	\$ 51,185.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$51,185.00	\$0.00
36	Native Grassing	\$ 174,930.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$174,930.00	\$0.00
37	Sodding	\$ 380,500.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$380,500.00	\$0.00
38	Rock Retaining Walls	\$ 133,488.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$133,488.00	\$0.00
39	Irrigation System	\$ 2,405,035.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$2,405,035.00	\$0.00
40	Pump Station	\$ 209,820.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$209,820.00	\$0.00
GRAND TOTALS		\$ 9,712,668.00	\$0.00	\$42,500.00 (\$4,250.00) \$38,250.00	\$0.00	\$42,500.00	0.44%	\$9,670,168.00	\$4,250.00

Users may obtain validation of this document by requesting of the license a completed AIA Document D401 - Certification of Document's Authenticity

1965

CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT
(Pursuant to A.R.S. § 33-1008)

Project: Black Rock Development, Inc.
Job No: 217-01

On receipt by the undersigned of a check from Black Rock Development, Inc
(Maker of Check)
in the sum of \$38250.00 payable to Wadsworth Golf Construction Company
(Amount of Check) (Payee or Payees of Check)

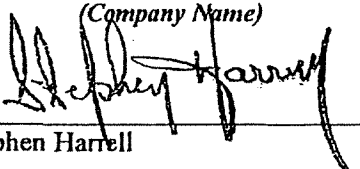
and when the check has been properly endorsed and has been paid by the bank on which it was drawn, this document becomes effective to release any mechanics' lien, any state or federal statutory bond right, and private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the job of Black Rock North Golf Course

(Owner)

located at Black Rock North Golf Course in Coeur d'Alene, ID *Job Description*) to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to the jobsite or to Black Rock North Golf Course *Person with whom Undersigned Contracted*) through October 31, 2006 only and does not cover any retention, pending modifications and changes (Date) or items furnished after that date. Before any recipient of this document relies on it, that person should verify evidence of payment to the undersigned.

The undersigned warrants that he either has already paid or will use the monies he receives from this progress payment to promptly pay in full all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or services provided for or to the above referenced project up to the date of this waiver.

DATED: October 31, 2006

Wadsworth Golf Construction Company
(Company Name)
BY: 
Stephen Harrell

President
(Title)

EXHIBIT 7

1967

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

TO OWNER: Black Rock Development, Inc.
912 Northwest Boulevard
P O Box 3070
Coeur D'Alene 83816

PROJECT: Black Rock North Golf Course
Coeur d'Alene, ID

APPLICATION NO: 217-02-R

Distribution to:

<input checked="" type="checkbox"/>	OWNER
<input type="checkbox"/>	ARCHITECT
<input type="checkbox"/>	CONTRACTOR
<input type="checkbox"/>	
<input type="checkbox"/>	

FROM CONTRACTOR: Wadsworth Golf Construction Co.
600 N. 195th Avenue
Buckeye, AZ 85326

VIA ARCHITECT: Tom Weiskopf Signature Design
7580 E. Gray Road
Scottsdale, AZ 85254

PERIOD TO: 12/31/2006
APPLICATION DATE: 12/31/2006

PROJECT NOS: 217

CONTRACT FOR: Golf Course and Irrigation System Construction

CONTRACT DATE: 9/29/2006

CONTRACTOR'S APPLICATION FOR PAYMENT

This application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	\$	9,712,668.00
2. Net change by Change Orders	\$	0.00
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$	9,712,668.00
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$	172,775.00
5. RETAINAGE:		
a. 10 % of Completed Work (Column D + E on G703)	\$	17,277.50
b. 0 % of Stored Material (Column F on G703)	\$	
Total Retainage (Lines 5a + 5b or Total in Column I of G703)	\$	17,277.50
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$	155,497.50
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	\$	38,250.00
8. CURRENT PAYMENT DUE	\$	117,247.50
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$	9,557,170.50

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
Total approved this Month	\$0.00	\$0.00
TOTALS	\$0.00	\$0.00
NET CHANGES by Change Order	\$0.00	

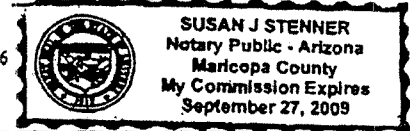
The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR:

By: Stephen Hartell
State of: Arizona County of: Maricopa
Subscribed and sworn to before me this 31 th day of December-06
Notary Public: Susan J Stenner
My Commission expires: 27-Sep-09

Date:

12/31/2006



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED: \$

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)
ARCHITECT:

By: _____ Date: _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

AIA DOCUMENT G703

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 217-02-R

APPLICATION DATE: 12/31/06

PERIOD TO: 12/31/06

CONTRACTORS PROJECT NO: 217

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G + C)		
1	Mobilization	\$ 264,338.00	\$15,000.00	\$108,000.00	\$0.00	\$123,000.00	47%	\$141,338.00	\$12,300.00
2	Traffic Control	\$ 10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$10,000.00	\$0.00
3	Clearing / Grubbing / Site Prep	\$ 10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$10,000.00	\$0.00
4	Mass Grading - Main Site	\$ 45,000.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$45,000.00	\$0.00
5	Mass Grading - Panhandle Site	\$ 30,000.00	\$10,000.00	\$0.00	\$0.00	\$10,000.00	33%	\$20,000.00	\$1,000.00
6	Lake Construction	\$ 231,465.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$231,465.00	\$0.00
7	Erosion Control	\$ 279,075.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$279,075.00	\$0.00
8	Supervision / Administration	\$ 196,000.00	\$7,500.00	\$10,000.00	\$0.00	\$17,500.00	9%	\$178,500.00	\$1,750.00
9	Sand Cap Fairways	\$ 1,104,520.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$1,104,520.00	\$0.00
10	Topsoil Roughs	\$ 142,450.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$142,450.00	\$0.00
11	Topsoil Native Areas	\$ 72,100.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$72,100.00	\$0.00
12	Rough Shaping	\$ 297,060.00	\$10,000.00	\$12,275.00	\$0.00	\$22,275.00	7%	\$274,785.00	\$2,227.50
	Drainage								
13	4" Perforated Pipe - Fwys	\$ 340,200.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$340,200.00	\$0.00
14	4" Solid Pipe	\$ 120,395.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$120,395.00	\$0.00

CONTINUATION SHEET

AIA DOCUMENT G703

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 217-02-R

APPLICATION DATE: 12/31/06

PERIOD TO: 12/31/06

CONTRACTORS PROJECT NO: 217

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G + C)		
15	6" Solid Pipe	\$ 11,115.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$11,115.00	\$0.00
16	8" Solid Pipe	\$ 4,020.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$4,020.00	\$0.00
17	10" Solid Pipe	\$ 1,827.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$1,827.00	\$0.00
18	12" Drain Inlets	\$ 73,470.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$73,470.00	\$0.00
	Feature Construction								
19	Green Construction	\$ 642,709.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$642,709.00	\$0.00
20	Tee Construction	\$ 314,543.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$314,543.00	\$0.00
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	Cart Path								
22	Subgrade Prep & Backfill	\$ 62,750.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$62,750.00	\$0.00
23	8' Wide Concrete	\$ 725,893.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$725,893.00	\$0.00
24	10' Wide Concrete	\$ 25,680.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$25,680.00	\$0.00
25	12' Wide Concrete	\$ 91,226.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$91,226.00	\$0.00
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28	Finish Shaping & Contouring	\$ 212,990.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$212,990.00	\$0.00
29	Rockpicking	\$ 46,700.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$46,700.00	\$0.00
30	Seedbed Preparation	\$ 320,045.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$320,045.00	\$0.00
31	Soil Amendments / Fertilizer	\$ 45,401.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$45,401.00	\$0.00
	Grassing								

CONTINUATION SHEET

ALA DOCUMENT G703

ALA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached.

In tabulations below, amounts are stated to the nearest dollar.

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APPLICATION NO: 217-02-R

APPLICATION DATE: 12/31/06

PERIOD TO: 12/31/06

CONTRACTORS PROJECT NO: 217

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G + C)		
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33	Green Grassing	\$ 15,242.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$15,242.00	\$0.00
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36	Native Grassing	\$ 174,930.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$174,930.00	\$0.00
37	Sodding	\$ 380,500.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$380,500.00	\$0.00
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39	Irrigation System	\$ 2,405,035.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$2,405,035.00	\$0.00
40	Pump Station	\$ 209,820.00	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$209,820.00	\$0.00
GRAND TOTALS		\$ 9,712,668.00	\$42,500.00	\$130,275.00 (\$13,027.50) \$117,247.50	\$0.00	\$172,775.00	1.78%	\$9,539,893.00	\$17,277.50

Users may obtain validation of this document by requesting of the license a completed AIA Document D401 - Certification of Document's Authenticity

1971

CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT
(Pursuant to A.R.S. § 33-1008)

Project: Ridge Creek Golf Course
Job No: 217-02 REV

On receipt by the undersigned of a check from Black Rock Development, Inc
(Maker of Check)
in the sum of \$117,247.50 payable to Wadsworth Golf Construction Company
(Amount of Check) (Payee or Payees of Check)

and when the check has been properly endorsed and has been paid by the bank on which it was drawn, this document becomes effective to release any mechanics' lien, any state or federal statutory bond right, and private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the job of Black Rock North Golf Course

(Owner)

located at Black Rock North Golf Course in Coeur D' Alene, ID(job Description) to the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to that jobsite or to Black Rock North Golf Course Person with whom Undersigned Contracted) through December 31, 2006 only and does not cover any retention, pending modifications and changes (Date) or items furnished after that date. Before any recipient of this document relies on it, that person should verify evidence of payment to the undersigned.

The undersigned warrants that he either has already paid or will use the monies he receives from this progress payment to promptly pay in full all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or services provided for or to the above referenced project up to the date of this waiver.

DATED: December 31, 2006

Wadsworth Golf Construction Company
(Company Name)

BY:

Stephen Harrell

President

(Title)

EXHIBIT 8

1973



CONTRACT AGREEMENT

THIS CONTRACT IS MADE AND ENTERED INTO BY AND BETWEEN:

Owner: BRN Development, Inc.
Address: P.O. Box 3070
Coeur d' Alene, ID 83816

Contact: Kyle Capps, CGCS
Telephone: (208) 665-5815
Fax: (208) 665-5844

Subcontractor: Wadsworth Golf Construction Company
Address: 600 N. 195th Ave.
Buckeye, AZ 85326

Contact: Steve Harrell
Telephone: (623) 853-9100
Fax: (623) 853-0217

A. In consideration therefore, Subcontractor agrees as follows:

1. To furnish and perform all work as described in this Contract, for the construction of:

- Owner Name: BRN Development, Inc.
- Job No.: 06-5040
- Contract No.: 065040_C0002
- Code No.:
 - 50.300.300 (Preliminary Site Work)
 - 50.300.301 (Clear/Grub)
 - 50.400.411 (Storm Water/Drain)
 - 50.200.203 (Erosion Control)
 - 50.100.900 (O/S Contractor – General—(Golf Course Construction))

2. To be bound by all laws, government regulations, and orders, and all terms and conditions of this Contract, to the extent of the work herein contracted, which provisions are hereby incorporated by reference, and all of the terms and conditions of this Contract, including the General Conditions.

3. To provide all supervision, materials, labor, supplies, and equipment to complete all work as set forth below and in the attached Exhibits.



4. The following Exhibits are attached and incorporated by reference:

- "A", Specific Inclusions and Exclusions
- "B", Interim Lien/Claim Waiver
- "C", Pay Request Form
- "D", Substance Abuse Program Requirements
- "E", Sample Insurance Certificate and Required Limits

B. BRN Development, Inc (Owner), for full, complete, and faithful performance of this Contract, agrees to pay Wadsworth Golf Construction Company (Subcontractor) a lump sum contracted amount of:

NINE MILLION, SEVEN HUNDRED NINETY-SIX THOUSAND, NINE HUNDRED THIRTY-EIGHT DOLLARS AND NO/100 (total) (\$9,796,938.00)

Taxes are Inclusive

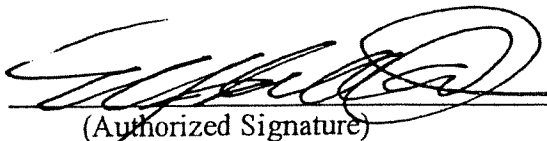
C. Contract is to be completed by August 29, 2008.

D. Under provisions of Section Z in attached General Conditions, a bond is required in this Contract.

IN WITNESS WHEREOF, BRN Development, Inc. and Wadsworth Golf Construction Co. have executed this Contract, effective as of this ____ day of _____, 2006.

BRN DEVELOPMENT, INC.

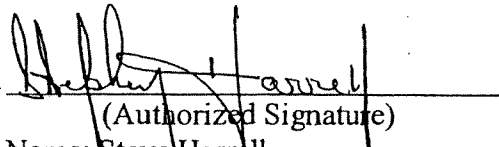
WADSWORTH GOLF CONSTRUCTION CO.



(Authorized Signature)

Name: Marshall Chesrown

Title: President



(Authorized Signature)

Name: Steve Harrell

Title: President

RCE- 19920

(Registration Number for Idaho)

(

000334387-U

(Sales Tax Permit Number)

A. OBLIGATIONS AND RESPONSIBILITIES

Subcontractor agrees not to assign or subcontract any portion of the performance of this Contract without the written consent of Owner. Subcontractor shall designate in writing all subcontractors to Owner and shall not subsequently change subcontractors without Owner's approval.

B. SUBMITTALS

Subcontractor shall submit within ten (10) days of award of Contract:

- (1). Three (3) copies of shop drawings for approval by Owner;
- (2). Three (3) copies of catalog data, brochures, material schedules, etc; and
- (3). Three (3) samples of each product as required

All submittals shall be accompanied by a letter of transmittal. Approval of the submittals by the Owner shall not relieve the subcontractor from full compliance with the Contract requirements.

C. DEVIATIONS

No deviations from the Contract plans, specifications, or approved submittals will be allowed without prior written consent of the Architect and Owner.

D. SCHEDULING

Subcontractor shall give Owner advance notice of the anticipated starting date for work. Subcontractor shall consult with Owner on development and update of a construction budget and schedule and shall make such schedule available to Owner at Owner's request. Subcontractor shall start work on the date named by Owner shall complete the several portions and the whole of the work herein described at such times as subcontractor's schedule states. Subcontractor shall be bound by any provisions for liquidated damages and, if liquidated damages are assessed, shall pay such damages for any delay to the extent caused by Subcontractor. The preceding language shall not be construed to deprive Owner of any right to recover separate or additional damages for delay to the extent caused by Subcontractor.

Subcontractor shall plan its work to meet the Owner's schedule. It is Subcontractor's responsibility to allocate the necessary manpower, material and equipment to meet this schedule which is part of this Contract. All detailed construction activities are to be coordinated with Owner. If, in the opinion of Owner, the Subcontractor falls behind schedule, the Owner shall take such steps as may be necessary to improve its progress, and Owner may require Subcontractor to increase its labor force, the number of shifts, amount of overtime work, days of work, including Saturdays, Sundays, Holidays an/or the amount of construction plant and equipment, all without increase in Contract Price.

E. OVERTIME AND/OR SHIFT WORK

If Subcontractor is directed to perform work on an overtime basis by Owner for reasons beyond Subcontractor's control, additional compensation to Subcontractor shall be limited to the direct cost of the overtime premium and legally required fringe benefits.

F. PAYMENTS

Subcontractor shall submit **original** payment applications to Owner by the 25th of the month (faxed payment applications are not acceptable). Should the 25th fall on a weekend, all payment applications shall be submitted on the Friday before. Payments shall be deposited, postage prepaid, return receipt requested, in the regular United States Mail. As a prerequisite for any payment, Subcontractor shall provide, in a form satisfactory to Owner, partial lien releases, claim waivers, and affidavits of payment from Subcontractor, and its subcontractors and suppliers of any tier, for the billed portion of Subcontractor's work. Owner may from time to time require, and Subcontractor shall promptly provide, a statement in writing setting forth what amounts, if any, are due or payable by Subcontractor to third parties for labor, fringe benefits, taxes, supplies, materials, equipment, or other proper charges against the work in connection with, or arising out of the performance of this Contract.

Subcontractor will receive payments from Owner only in amounts allowed by Owner on account of Subcontractor's work, and only to the extent of Subcontractor's interest therein, less any deduction or offsets allowed to be deducted under this Contract or by law. Subcontractor acknowledges that all payments accepted by him or which are otherwise due under this Contract shall constitute a trust fund in favor of laborers, material men, governmental authorities, and all others who are legally entitled to claim a lien on the premises covered by this Contract or otherwise file a claim against any retainage or payment bond. Subcontractor shall pay its own subcontractors and suppliers all sums owed them within ten days of receipt of payment from or on behalf of Owner.

Unless otherwise mutually agreed, Owner shall withhold retainage from Subcontractor in the amount of five percent (5%). Owner's obligation to release retainage to Subcontractor is dependent upon proof that there are no claims, which would provide the basis of a lien against the premises or payment bond. Final payment for work under this Contract shall be made provided Subcontractor has fulfilled each of its obligations under this Contract.

If the Contract permits payment for materials delivered to the jobsite or to satisfactory storage facilities, Subcontractor may invoice for materials delivered and receive payments as outlined above; provided, however, that such stored material shall be at the risk of Subcontractor. Subcontractor shall notify Owner of the assignment of the proceeds of this Contract prior to such assignment and shall require the acceptance by Assignee of all the terms of this Contract. There shall be no retainage on stored irrigation materials or any required deposits for stored irrigation materials.

Progress payments are subject to adjustment at any time prior to final payment for errors, overpayment, or Owner's good faith determination that the remaining balance of payment may be insufficient to insure completion of work covered by this Contract or to pay lien, retainage, or claims. If Owner determines in good faith that Subcontractor is obligated to anyone else for labor, fringe benefits, taxes, supplies, materials, equipment rental or other proper charges against the work covered by this Contract, the amount of such obligation may be deducted by Owner from any payment or payments, including retainage, made under this provision. Owner shall have the right to and shall be entitled to set off against any payments to be made under this Contract amounts for any claims or other disputes which Owner has against Subcontractor which arise out of or in connection with or incident to Subcontractor's work on any other projects which Subcontractor has been engaged to perform work by Owner.

G. CHANGES TO THE WORK

Owner may, without invalidating this Contract, order in writing extra work, to be signed by Subcontractor, or changes by altering, adding to, or deducting from the work and contract price shall be adjusted

accordingly. All such work shall be executed under the conditions hereon except that any claims for extension of time caused thereby must be agreed upon at the time of ordering such change. Subcontractor shall make no claims for extras unless the same shall be agreed upon in writing by Owner prior to the performance of any such work. In case of any dispute over adjustment of the contract price or time, Subcontractor shall proceed with work and the dispute shall be resolved in accordance with the procedures set forth in the Disputes clause of this contract. Subcontractor acknowledges that, unless expressly stated otherwise within a written change order, any change in the contract price and time effected through a written change order shall constitute full payment and accord and satisfaction for all costs incurred, labor performed, material and equipment furnished, and any delay, acceleration, or loss of efficiency associated with the change in the work.

Failure by Subcontractor to provide timely (which shall be defined as ten (10) days after receipt of a change from Owner or discovery of the extra work) written notice and/or failure by Subcontractor to provide its timely Statement of Claim for an increase in the contract amount and/or time extension shall result in an absolute waiver of Subcontractor's claim. Owner does not waive the requirement for timely written submission of the Statement of Claim, unless Owner's waiver is unequivocal, explicit and in writing.

All change order cost estimates shall be submitted directly to Owner for review and evaluation prior to submittal to the Architect. Any and all questions by the Architect or consultants relating to Subcontractor's pricing of change orders shall be handled by Owner. If the Architect or any of its consultants attempt to review Subcontractor's change order pricing directly with the Subcontractor, Subcontractor shall refrain from such review and direct the party to the Owner.

Subcontractor shall carry on the work and adhere to the progress schedule during all disputes or disagreements with Owner. No work shall be delayed or postponed pending resolution of any disputes or agreements.

H. NATURE OF WORK

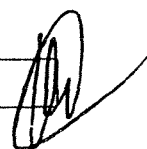
contractor has satisfied itself as to the nature and locations of the work, the character, kind and quantity of material to be encountered, the character, kind and quantity of equipment needed, the location, conditions and other matters which in any manner effect the work of this Contract, and acknowledges that Subcontractor has had a reasonable opportunity to examine the site, and this Contract. Prior to commencing work, Subcontractor shall examine the site and any surfaces upon which work is to be performed, and shall notify Owner in writing of any conditions which might adversely effect its work; failure to do so will constitute a waiver of entitlement to any additional compensation or contract time arising out of such conditions. Such waiver shall not apply to latent or hidden conditions unknown to Subcontractor following a reasonable examination. This clause shall not be understood to relieve Subcontractor of any additional notice requirements under this Contract.

I. REMEDIAL WORK

Cutting, patching, repairing and any other remedial work that becomes necessary as a result of Subcontractor's activities shall be either performed by or paid for by the Subcontractor whose work necessitated such repairs.

J. SUBCONTRACTOR EMPLOYER

Subcontractor has the status of "employer" as defined by the Industrial Insurance, Workers' Compensation, Unemployment Compensation, Social Security, and other similar acts of federal, state, and local government. Subcontractor shall withhold from its payroll applicable Social Security taxes, Workers' Compensation, and Unemployment Compensation contributions, and withholding taxes and pay the same; Owner shall be in no way liable as an employer of, or on account of, any employees of Subcontractor. Before final payment is made under this Contract, Subcontractor shall furnish Owner with affidavits certifying that it has paid all payroll



benefits, taxes, and trust fund obligations. Subcontractor hereby agrees to indemnify Owner for any and all liability under such laws arising from the work performed under this Contract.

Subcontractor agrees that in the event Owner is a party to a labor agreement incorporating a subcontractor clause, Subcontractor shall so be bound and such clause or conditions are incorporated and made a part of this Contract. Further, Subcontractor shall employ its workers in accordance with the wage rates, terms and conditions required of Owner for like workers.

K. SUPERVISION AND EMPLOYEES

Subcontractor shall have a competent Superintendent/Foreman on the job supervising the work, who has authority to act for Subcontractor. Subcontractor agrees to remove from the job any of his employees who are unsatisfactory to the Owner.

L. PERMITS, TAXES

Subcontractor shall obtain and pay for all permits, fees, and licenses necessary for the performance of this Contract and shall pay any and all federal, state, and local taxes, applicable to the work to be performed under this Contract. Owner shall obtain and pay for the initial building permit.

M. MATERIALS

Materials delivered by or for Subcontractor and intended to be incorporated into the construction hereunder shall remain on the jobsite and shall become property of Owner upon payment. Subcontractor may repossess any surplus material remaining at the completion of the Contract. All scaffolding, apparatus, ways works, machinery, and plans brought upon the premises by Subcontractor shall remain the property of Subcontractor. It shall be Subcontractor's responsibility to unload, store, and protect its materials, to bear the risk of loss thereof and to protect such material against loss until the work is accepted, even though title thereto may have previously passed to Owner under the preceding provisions, except that Subcontractor shall not bear that portion of such loss to the extent it arose out of the sole fault of Owner or its employees.

N. DELIVERIES

Subcontractor shall make final coordination of materials deliveries with the Owner. Subcontractor shall have a representative on-site to accept all deliveries.

O. TAKEOVER

If Subcontractor refuses or fails to supply enough properly-skilled workers or materials to maintain the schedule of work, refuses or fails to make prompt payment to subcontractors or suppliers of labor, materials or services, fails to correct, replace, or re-execute faulty or defective work done or materials furnished, disregards the law, ordinances, rules, regulations or orders of any public authority having jurisdiction, files for bankruptcy, or is guilty of a material breach of this Contract, and fails to correct the default and maintain the corrected condition within less than three (3) working days of receipt of written notice of the default, then Owner, without prejudice to any rights or remedies otherwise available to it, shall have the right to any or all of the following remedies:

(1) Supply such numbers of workers and quantity of materials, equipment, and other facilities as Owner deems necessary for the completion of Subcontractor's work, or any part thereof, which Subcontractor has failed to complete or perform after the above notice, and to charge the cost thereof to Subcontractor who shall be liable for the payment of the same including reasonable overhead and profit.

(2) Contract with one or more additional subcontractors to perform such of Subcontractor's work as Owner shall determine to provide prompt completion of the project and charge the cost thereof to Subcontractor.

(3) Withhold payment of any monies due or to become due Subcontractor pending corrective action to the extent required and to the satisfaction of Owner.

(4) Terminate this Contract, use any materials, implements, equipment, appliances or tools furnished or belonging to Subcontractor, located at the job site, to complete Subcontractor's work and furnish those materials, equipment, and/or employ such workers as Owner deems necessary to maintain the orderly progress of the work; Subcontractor's equipment shall only be utilized when equivalent equipment is not locally available to lease and will not be supplied by a substitute Subcontractor and when procurement of substitute equipment will not delay completion of this Contract. All of the costs, including reasonable overhead, profit, and attorneys' fees, incurred by Owner in performing Subcontractor's work shall be charged to Subcontractor and Owner shall have the right to deduct such expenses from monies due or to become due Subcontractor. Subcontractor shall be liable for the payment of any expenses incurred in excess of the unpaid balance of the Contract Price.

(5) In the event of any emergency, Owner may proceed as above without notice.

Convenience Termination. Owner may, at its option, at any time and for any reason, terminate this Contract as to all or any portion of the uncompleted work. Subcontractor hereby waives any claim for damages, including without limitation, consequential damages and loss of anticipated profits, on account of such termination. Upon receipt of notice of a termination, Subcontractor shall immediately in accordance with instructions from Owner, proceed with the performance of the following duties, regardless of delay in determining or adjusting amounts due under this article:

(1) Cease operations as specified in the notice;

(2) Place no further orders and enter into no further subcontracts for materials, labor, services, equipment or facilities except as necessary to complete the continued portions of the Contract;

(3) Terminate all subcontracts and orders to the extent they relate to the work terminated;

Proceed to complete the performance of the work not terminated; and;

(5) Take actions that may be necessary or that Owner may direct for the protection or preservation of the terminated work.

Upon such termination, Subcontractor shall recover as its sole remedy, payment for the work properly performed in connection with the terminated portions of the work prior to the effective date of termination and for items properly and timely fabricated off of the site; delivered and stored in accordance with Owner's instructions.

Owner shall be credited for payments previously made to Subcontractor for the terminated portions of the work and for claims which Owner has against Subcontractor under the Contract.

P. WARRANTY

Subcontractor warrants that all work shall be executed in accordance with the Contract Documents in a workmanlike manner. Subcontractor warrants that all materials and equipment shall be new unless otherwise specified, of good quality, in conformance with the Contract Documents, and free from defective workmanship and materials. If any portion of the work is found to be not in conformance with the Contract Documents ("Defective Work"), Owner shall promptly notify Subcontractor in writing. Unless Owner provides written acceptance of the condition, Subcontractor shall promptly correct the Defective Work at its own cost and time and bear the expense of additional services required for correction of any Defective Work for which it is responsible. Failure on the part of Owner to reject inferior workmanship or to note nonconforming materials or

equipment will not be construed as implied acceptance by Owner. Nothing in this Section shall be construed as a waiver of any rights or remedies of Owner.

Q. LIQUIDATED DAMAGES

) If the Subcontractor fails to complete its work within the time period and number of on-site days specified in the required construction schedule due to events within its control and the delay results in Owner failing to meet the scheduled completion date for this project, Subcontractor shall pay liquidated damages to Owner in the amount of \$1000.00 for each work day that the work is delayed beyond the completion date.

(2) If, after failing to meet the scheduled completion date, the Subcontractor fails to meet its obligations under this Contract, and the Owner subsequently terminates for default, liquidated damages will continue to accrue (subject to the provisions of item (1) of this Section) until the work is completed. These liquidated damages are in addition to and Subcontractor shall be liable for the payment of any expenses incurred in excess of the unpaid balance of the Contract Price, including without limitation expenses incurred pursuant to Section O of this Contract, or any other remedy available to Owner at law or in equity.

R. UNIT PRICE

In the event this Contract contains unit price items it is understood and agreed that any quantities mentioned are approximations only and subject to change as ordered and directed by Owner.

S. MATERIAL QUALITY

Materials condemned by Owner or its Architect/Engineer as failing to conform to this Contract, worked or not, shall upon notice from Owner be immediately removed by Subcontractor. Failure of Owner to immediately condemn any work or materials as installed shall not in any way waive Owner's right to object thereto at any subsequent time.

T. RESPONSIBILITY OF SUBCONTRACTOR TO ACT IN EMERGENCY

Subcontractor shall designate responsible personnel to make emergency calls. In emergencies affecting the safety of persons, work or property at the site and adjacent thereto, Subcontractor will act, without previous instructions from Owner, as the situation warrants, in accordance with Subcontractor's Safety & Health Plan. Subcontractor will notify Owner immediately thereafter of any emergency actions. Subcontractor will submit the name, address, and phone number of a responsible individual or individuals who will be available on a twenty-four (24) hour basis to handle emergency problems in connection with the work.

U. SUSPENSION OF WORK

Subcontractor will, upon written notice from Owner, suspend, delay, or interrupt all or part of the work. In such event, Subcontractor will resume the work upon written notice from Owner, and an extension of time and/or an equitable adjustment in compensation, if appropriate, will be mutually agreed upon by both parties.

V. JOB DAMAGE

Job damage caused by Subcontractor to work other than its own shall be reported immediately to Owner and Subcontractor shall be responsible for the cost of its repair.

W. NOTICE

All notices required or desired to be given relative to this Contract shall be in writing and deemed delivered twenty-four (24) hours after the written notice is sealed in an envelope and deposited, postage prepaid, return receipt requested, in the regular United States Mail or is sealed in an envelope and sent, postage prepaid, via air courier, addressed to the respective parties at the address on the first page of this Contract. The address may be changed from time to time by written notice.

X. CLEAN-UP AND SAFETY

Subcontractor shall regularly remove all refuse, waste, and debris produced by its operation. Refuse shall not be permitted to accumulate to the extent that it interferes with free access to the work site or creates a safety hazard. Avoidance of safety hazards through good housekeeping is an important part of Subcontractor's obligations. In the event of Subcontractor's failure or refusal to meet these requirements, refuse may be removed by Owner and charged against the account of Subcontractor, provided that Subcontractor has received twenty-four (24) hours prior written notice. In the event Owner determines emergency conditions exist, Owner may proceed as above without written prior notice.

Subcontractor and its subcontractors shall take all reasonably necessary safety precautions pertaining to the work and work performance, including compliance with applicable laws, ordinances, regulations and orders issued by a public authority, whether federal, state, local, OSHA or other, and any safety measures requested by Owner. Subcontractor shall at all times be responsible for providing a safe job site and be responsible for the work performance and safety of all employees, personnel, equipment and materials within Subcontractor's or its subcontractors' care, custody or control. Subcontractor and its subcontractors shall furnish all required safety equipment for their work and ensure all of their employees have and wear personal protective equipment in compliance with applicable OSHA requirements and Owner's safety rules.

Subcontractor certifies that it and its subcontractors shall maintain written Accident Prevention Plan and a job site-specific safety plan in compliance with applicable OSHA regulations. Subcontractor's Accident Prevention Plan should address Subcontractor's role and responsibilities pertaining to safety on the job site, training, and corrective action and be tailored to safety and health requirements for the work involved. Subcontractor shall have and enforce a disciplinary action schedule in the event any safety violations are discovered, which schedule should vary depending upon the severity of the violations. When requested by Owner, Subcontractor shall provide information regarding any and all safety matters to Owner.

Subcontractors shall promptly provide Owner with written notice of any safety hazard or violation found anywhere on the job site, and of any injury, which occurs on the job site.

Owner may direct Subcontractor's superintendent to remove employees not in compliance with the foregoing provisions. In the event Subcontractor does not promptly correct any safety violations, Owner may order Subcontractor to stop work until the violation is corrected, and may correct the violation and charge all costs of compliance to Subcontractor.

Subcontractor agrees to defend, indemnify and hold Owner harmless from all OSHA claims, demands, proceedings, violations, penalties, assessments or fines that arise out of or relate to Subcontractor's failure to comply with any safety related laws, ordinances, rules, regulations, orders, or obligations hereunder. Owner may charge against the sums otherwise owing to Subcontractor the amount of the fines, fees, costs, and expenses incurred by Owner due to claims, citations or fines assessed against Subcontractor or its subcontractors.

Further, Subcontractor and its vendors shall abide by all of Owner's safety programs which include:

- (1). Subcontractor shall provide Contractor or its designee a copy of all Material Safety Data Sheets.
- (2). Subcontractor shall conduct his own, or attend Black Rock weekly safety meetings. If Subcontractor elects to conduct his own safety meetings, Subcontractor shall provide weekly meeting minutes to Owner.
- (3). Owner shall provide Subcontractor with a copy of a job specific fall protection and accident prevention plan prior to proceeding with work.
- (4). Hard hats, safety glasses and work boots are to be worn at all times.

Y. SEQUENCING, BARRICADING AND TRAFFIC CONTROL

Sequencing and barricading shall provide for the complete safety of the public and all construction personnel, shall create a minimum of interference with the normal flow of pedestrians and vehicles either on or off the site.

Z. BOND

If this Contract requires Subcontractor to supply bonds for this project, then Subcontractor shall at its own expense furnish Owner, within ten (10) days of receipt of this Contract, performance and payment surety bonds, acceptable to Owner, in an amount equal to the Contract Price. The bonds shall be conditioned upon the full and faithful performance of all terms, provisions, and conditions of this Contract and upon payment for all labor, materials, equipment, and supplies used in the prosecutions of the work described herein.

Owner may require additional performance and payment bond protection if the contract price is increased. The increase in protection generally will equal one hundred percent (100%) of the increase of the contract price. Owner may secure the additional protection by directing Subcontractor to increase the penal amount of the existing bond or to obtain an additional bond.

AA. INSURANCE

Subcontractor shall, at its expense, procure and maintain insurance and required coverages on all its operations, in companies having at least an A.M. Best rating of no less than A-VII and in forms acceptable to Owner as follows:

1. Workers' Compensation and Employers Liability Insurance as required by any applicable law, regulation or statute. Employers Liability Insurance shall be provided in amount as stated on Exhibit "E," Sample Insurance Certificate and Required Limits.
 - a. Longshoreman's & Harbor Workers' Act coverage on any employees working under this jurisdiction;
 - b. Coverage for Jones Act on any maritime exposure;
 - c. Employers Liability or Stop Gap Liability in monopolistic state.
2. General Liability Insurance, either Comprehensive General Liability or Commercial General Liability on coverage forms at least as broad as ISO occurrence form CG 0001, including coverage for;
 - a. Premises and Operations.
 - b. Broad Form Property Damage (Including Completed Operations).
 - c. Explosion, Collapse, Underground Hazards.
 - d. Contractual Liability insuring obligations assumed in this Contract.
 - e. Waiver of Subrogation endorsement in favor of Subcontractor.
 - f. Personal Injury Liability.
 - g. Severability of Interest Clause.

- h. General Aggregate Limit of Insurance shall apply separately to project.
- i. "Claims Made" and "Modified Occurrence" policy forms are not acceptable.
- j. Any self-insured retention or deductible greater than \$25,000 must be declared to Subcontractor at time of bid and approved by Owner.
- k. Completed operations coverage shall be maintained for not less than two years following completion of the project.

3. General Liability Insurance Limits:

- a. Limits on the Subcontractor's General Liability for Premises/Operations and Products/Completed Operations shall be equal to or greater than the Owner's limits of \$1,000,000., as stated in Exhibit "E".
- b. If either defense costs are included in the General Aggregate limit or if the General Aggregate limit does not apply separately to this project, then the required General Aggregate limit is to be \$3,000,000. This additional limit can be provided by a \$1,000,000 umbrella liability policy.

4. Automobile Liability Insurance on a coverage form at least as broad as ISO form CA 0001, including;

- a. Coverage on all owned, non-owned, and hired automobiles;
- b. Limit of liability shall not be less than \$1,000,000 Combined Single Limit.

5. Increased Liability Limits:

If higher limits or other forms of insurance are required by Owner under Paragraph 3 above, Subcontractor will comply with such requirements by providing evidence of an umbrella or excess liability policy.

6. Certificates of Insurance:

Certificates of Insurance for insurance required under this Contract shall be furnished by Subcontractor to Owner before any work is commenced hereunder by Subcontractor. The Certificates of Insurance shall provide that there will be no cancellation or reduction of coverage without forty-five (45) days prior written notice to Owner, except for ten (10) days in the event of non-payment of premium. In the event Subcontractor does not comply with requirements of this Section, Owner, at its option, may provide insurance coverage to protect its interests and charge Subcontractor for the cost of that insurance or Owner may terminate this Contract. The required insurance shall be subject to approval of Owner, but any acceptance of insurance certificates by the Owner shall in no way limit or relieve Subcontractor of the duties and responsibilities assumed by Subcontractor in this Contract. No work shall be performed at the project site until said certificates have been furnished and approved. Payment may be withheld, at the option of Owner, until such certificates have been furnished, or if upon receipt of a cancellation notice on a policy, until withdrawal of the notice or the reinstatement of the canceled policy. Copies of insurance policies shall be furnished upon request.

7. Additional Endorsements:

- a. Under the General Liability policy, Subcontractor shall add Owner, and its officers, directors and employees, as additional insured verified by a Certificate of Insurance and receipt of the Additional Insured form CG 20 10 11 85 or equivalent.
- b. The policy shall be endorsed using form CL/00 99 01 87 to stipulate that the insurance afforded Owner and its officers, directors, and employees, as additional insureds shall apply as primary insurance. Any other insurance carried by Owner will be excess only and will not contribute with Subcontractor's insurance.
- c. The General Liability policy shall be endorsed using form CG 24 04 10 93 or equivalent to waive rights of recovery.
- d. Samples of required endorsement are included in Exhibit "E."

8. Insurance requirements for subcontractors:

Subcontractor shall ensure that all tiers of its subcontractors shall maintain insurance in like form and amounts, including the Additional Insured Requirements set forth above, and any such subcontractor will provide Owner with evidence of the required insurance prior to such subcontractor starting work.

Builders Risk Insurance:

Owner and Subcontractor waive all rights against each other and against all other subcontractors for loss or damage to the extent reimbursed by Builder's Risk or any other property or equipment insurance applicable to the work, except such rights as they may have to the proceeds of such insurance.

If Builder's Risk insurance purchased by Owner provides coverage for Subcontractor for loss or damage to Subcontractor's work, Subcontractor shall be responsible for the insurance policy deductible amount, up to \$5,000, applicable to damage to Subcontractor's work and/or damage to other work caused by Subcontractor.

If Subcontractor is not covered under Builder's Risk policy of insurance or any other property or equipment insurance required by this Contract, Subcontractor shall procure and maintain, at its own expense, property and equipment insurance required for Subcontractor's work stored off the site or in transit.

If Owner has not purchased Builder's Risk or equivalent insurance including the full insurable value of Subcontractor's work, then Subcontractor shall procure such insurance at its own expense as will protect the interests of Subcontractor and its subcontractors in the work. Such insurance shall also apply to any of Owner's property in the care, custody or control of Subcontractor.

10. [Intentionally Omitted]

Hazardous Materials and Pollution Liability:

If Subcontractor or its subcontractors are either required to perform remediation of hazardous materials such as asbestos containing materials, contaminated soil etc., or if their operations create an exposure to hazardous materials, they must, in addition to the above requirements, carry a "Owner's Pollution Liability" policy with limits not less than \$1,000,000 per occurrence and not less than \$2,000,000 aggregate for Bodily Injury, Personal Injury and Property Damage, naming Owner as Additional Insured.

If Subcontractor or its subcontractors haul hazardous waste they must carry Automobile Liability Insurance with a \$1,000,000 combined single limit per occurrence for Bodily Injury and Property Damage applicable to all hazardous waste hauling vehicles and include MCS 90 endorsement and the ISO for CA 9948 (Pollution Liability Broadened coverage for Business Automobile).

12. Failure of Owner to enforce in a timely manner any of the provisions of these Insurance Requirements shall not act as a waiver to enforcement of any of these provisions at a later date in the performance of this Contract. Any exceptions to these Insurance Requirements must be delineated in the Contract documents.

BB. SUBCONTRACTORS

Any subcontractor of Subcontractor shall be bound to Subcontractor to the same extent Subcontractor is bound to Owner. This form may be used for subcontracts and when so used, the term Owner shall mean Contractor and the term Subcontractor shall mean the Subcontractor's subcontractor.

CC. MODIFICATIONS

No modifications to, or waiver of any rights under this Contract shall be valid or binding on the parties to this Contract unless the same be in writing. Failure of Owner to insist upon strict performance of any term or condition of this Contract, or to exercise any option herein conferred on one or more instances, shall not be construed to be a waiver of such performance or portion, or of any other covenants or Contracts, on subsequent occasions, but the same shall be and remain in full force and effect.

EE. DISPUTES

(1) Claims: In the event of any dispute or claim between Owner and Subcontractor which directly or indirectly involves the work performed or to be performed by Subcontractor, Subcontractor agrees to be bound to Owner and Owner agrees to be bound to Subcontractor by any and all procedures and resulting decisions, findings, determinations, or awards made thereunder by an administrative agency, board, court of competent jurisdiction, or arbitration. Subcontractor agrees to be bound by the procedure and final determinations as specified, and agrees it will not take, or will stay or suspend, any other action with respect to such claims (including but not limited to actions commenced pursuant to the Federal Miller Act, lien statutes, or any other state bond or retainage act) and will pursue no independent litigation with respect thereto, pending final determination of any resolution procedure by Owner. The timely presentation, cooperation and participation by Subcontractor, in any determination of a dispute under this Contract, including any and all appeals under the disputes provision(s), shall be conditions precedent to pursuit of any action by Subcontractor against Owner with respect to any such claim or dispute. Subcontractor shall have full responsibility for preparation and presentation of such claims and shall bear expenses thereof including attorneys' fees.

(2) Mediation: As a condition precedent to the hearing of any trial or arbitration, the parties to this Contract shall submit any and all disputes between them to non-binding mediation with the assistance of a recognized professional mediation service. The parties shall each designate a representative with full settlement authority who will participate for at least four hours in the mediation. The parties shall bear equally all expenses, exclusive of attorneys' fees, associated with the mediation.

(3) Arbitration: If any dispute shall arise relative to interpreting this Contract that cannot be resolved through mediation, it shall be submitted in arbitration according to the then existing rules of the American Arbitration Association. Written notice of demand therefore shall be filed with the other party hereto. Each party shall appoint an arbitrator. The two (2) arbitrators shall appoint a third arbitrator. Their decision shall be a condition precedent to any right of legal action that either party may have against the other. They shall fix their own reasonable compensation and assess the costs and charge upon either or both parties. Judgment on any award may be entered in a court of competent jurisdiction. This provision shall be specifically enforceable under the laws of the state of Idaho.

FF. HOMEOWNERS' CLAIMS

Subcontractor shall participate in the investigation of a resolution of any and all claims made by a Homeowner as a result of activities performed by the Subcontractor.

GG. INDEMNIFICATION

To the fullest extent of the law, Subcontractor agrees to defend, indemnify, and hold harmless Owner, Owner's affiliates, and the officers, shareholders, directors, partners, members, managers, employees, agents, and representatives of Owner (hereafter the "Indemnified Parties"), and the record owner of the property

("hereinafter "Owner"), from [redacted] against any and all claims, demands, losses, and liabilities arising from, resulting from, or connected with services performed or to be performed under this Contract by Subcontractor, its agents, employees, and subcontractors and suppliers of any tier, including without limitation injuries to Subcontractor or Subcontractor's personnel occurring during performance of services under this Contract, even though such claims may prove to be false, groundless or fraudulent, to the fullest extent permitted by law and subject to the limits provided below.

Subcontractor's duty to indemnify Owner shall not apply to liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of Owner or its agents or employees. Subcontractor's duty to indemnify Owner for liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of (a) Owner or its agents or employees, and (b) Subcontractor or its agents, employees, and subcontractors and suppliers of any tier shall apply only to the extent of negligence of Subcontractor or its agents, employees, and subcontractors and suppliers of any tier.

The indemnification obligation under this Contract shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers' compensation acts; provided Subcontractor's waiver of immunity by the provisions of this Section extends only to claims against Subcontractor by Owner, and does not include, or extend to, any claims by Subcontractor's employees directly against Subcontractor.

Subcontractor's duty to indemnify Owner for liabilities or losses other than for bodily injury to persons or damage to property shall apply only to the extent the liability or loss was caused by Subcontractor or its agents, employees, subcontractors or suppliers of any tier.

Defense cost recovery shall include all fees (of attorneys and experts), and costs and expenses incurred in good faith. In addition, Owner shall be entitled to recover compensation for all of its in-house expenses (including materials and labor) consumed in its defense.

Subcontractor's indemnification and defense obligations hereunder shall extend to Claims occurring after this Agreement is terminated as well as while it is in force, and shall continue until it is finally adjudicated that any and all actions against the Indemnified Parties for such matters which are indemnified hereunder are fully and finally barred by applicable laws.

HH. FORCE MAJEURE.

Neither party shall be liable to the other for any failure of or delay in performance of any obligation under this Agreement for the period that such delay or prevention is due to acts of God or the public enemy; war, insurrection of riots, civil disorder, acts of terrorism or other hostilities; fires, explosions or serious accidents; the requirements of any government or governmental entity or authority; strikes or labor disputes; the discovery of hazardous materials that renders the site or a portion thereof unsafe to continue work or any other cause beyond Owner or Subcontractor's, as applicable, reasonable control. The parties agree to notify the other party promptly of the occurrence of any such cause and carry out this Agreement as promptly as practicable after such cause is terminated.

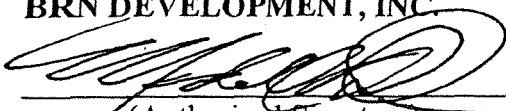
II. MISCELLANEOUS

This Contract shall be considered to have been made in and shall be interpreted under the laws of the State of Idaho. The site of venue of any lawsuit arising out of this Contract or the work hereunder shall be in Kootenai County, Idaho. Any written notice required to be given to a party shall be hand-delivered or delivered to the

address of that party indicated above. Subcontractor shall comply with all federal, state and local laws, regulations and orders prohibiting discrimination on the basis of race, religion, sex, or national origin. This Contract represents understanding of the parties and Owner assumes no responsibility for any different understanding or any representations made by any of its officers, agents, or others prior to the execution of this Contract unless expressly stated herein.

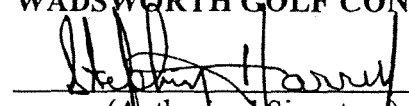
THE UNDERSIGNED HEREBY CERTIFY THAT THIS INDEMNIFICATION PROVISION WAS MUTUALLY NEGOTIATED.

BRN DEVELOPMENT, INC.



(Authorized Signature)
Name: Marshall Chesrown
Title: President

WADSWORTH GOLF CONSTRUCTION CO.



(Authorized Signature)
Name: Steve Harrell
Title: President

RCE- 19920

(Registration Number for Idaho)
(UBI Number for Washington)

000334387-U

(Sales Tax Permit Number)

EXHIBIT "A"
CONTRACT AGREEMENT
BRN DEVELOPMENT, INC. and WADSWORTH GOLF CONSTRUCTION COMPANY
INCLUSIONS AND EXCLUSIONS

General Inclusions:

The work under this Contract includes, but is not limited to the following, all labor, materials, equipment, fasteners, delivery, and coordination required to complete the scope of work outlined below per the Contract drawings and specifications:

1. One (1) set of construction drawings will be provided to Wadsworth Golf Construction Company by BRN Development, Inc. Any additional copies required thereafter by Subcontractor will be the sole responsibility of Subcontractor to obtain at Subcontractor's expense.
2. Subcontractor shall submit a site specific safety plan prior to commencement of work. Subcontractor shall provide necessary personal protection safety gear, training and methods for its own employees.
3. Subcontractor agrees to indemnify and hold harmless Owner for any and all governmental or regulatory fines, penalties, and/or assessments of any kind, including safety and environmental, arising from or in connection with their work resulting from Subcontractor being in noncompliance with governmental regulations. In the event such fines, penalties, and/or assessments are made against Owner as well as Subcontractor during the prosecution of the work itself and before Final Acceptance, Subcontractor agrees that said amounts may be withheld from any pending funds due and owing to Subcontractor, at Owner's sole discretion.
4. All work to be done in compliance with federal, state and local laws, codes, ordinances and regulations and good industry practices, Subcontractor is responsible for obtaining all code standards and including the applicable costs for this scope of work.
5. Subcontractor shall coordinate all necessary inspections with proper jurisdiction for own work.
6. Subcontractor is aware of all scheduling and site conditions.
7. Subcontractor shall provide all hoisting, scaffolding, staging, material handling and coordination required to complete own work.
8. Parking is limited to Owner designated parking area.
9. No construction company and/or product advertising will be allowed on the jobsite. This prohibition includes advertising on structures and/or fencing. Permanently affixed truck and trailer logos are permitted.
10. Subcontractor shall provide all protection of work during construction and shall protect all work and materials from loss and damage as required. Subcontractor shall also protect all work from damage during the performance of Subcontractor's work. Any damage caused by Subcontractor to work put in place must be corrected to Owner's satisfaction at Subcontractor's expense.
11. Subcontractor shall remove and dispose of all of its own **hazardous and environmentally sensitive** waste and debris in an approved and legal manner and shall comply with local agency recycling requirements.
12. Subcontractor shall provide all required coordination, design assistance, and interface with the Owner, Owner's Architect, all other trades, the general public and agencies affecting or affected by the work.
13. Subcontractor shall perform no additional work nor perform work which will result in additional work being required without first obtaining written authorization from Owner.
14. All construction shall be performed according to the most recently prescribed practice by qualified and if applicable certified workers. Any Subcontractor employees engaged in performance of the work are subject to the Owner's approval.

EXHIBIT "A"
CONTRACT AGREEMENT
BRN DEVELOPMENT, INC. and WADSWORTH GOLF CONSTRUCTION COMPANY
INCLUSIONS AND EXCLUSIONS

15. Subcontractor shall provide onsite a designated, competent, and full time Superintendent who shall represent the Subcontractor at all times and shall have authority to act for Subcontractor. Subcontractor's Superintendent shall have no other obligations or responsibilities other than the work to be performed for Owner. All directions and notices given to and by such Superintendent shall be binding on Subcontractor. Subcontractor's Superintendent shall coordinate work closely with the Owner and shall take all measures and actions to ensure proper completion of the work in accordance with the Project Schedule and as directed by the Owner. Subcontractor's Superintendent shall be made available for weekly Owner's coordination meetings. Subcontractor's Superintendent is required to have the Contract and applicable specification sections on site made available by Subcontractor's main office.
16. Subcontractor shall perform and complete its own work in accordance with Subcontractor's project schedule and shall coordinate daily activities with Owner.
17. Subcontractor shall provide one (1) copy of record documents, drawings, warranties and operations and maintenance information required for project closeout. Operation and maintenance (O/M) manuals will be the basis for the Owner training materials and shall be completed and submitted to Owner prior to receipt of final payment and retainage if any.
18. Subcontractor shall keep such full and detailed accounts as are necessary for proper financial management under this Agreement. Subcontractor shall maintain a complete set of all books and records prepared or used by Subcontractor with respect to the Project. Owner shall be afforded access to all Subcontractor's records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda and similar data relating to this agreement. Subcontractor shall preserve all such records for a period of three years after the final payment or longer where required by Law.
19. **Owner change order requests:** Subcontractor shall be responsible for a **10-day** response, from the date distributed, and turn around time to Owner Change Order Requests. In the event a response is not received by Owner on or before the date specified on the Subcontractor Change Order Requests, it will indicate that Subcontractor consents to the work being performed with no change in the contract amount.
20. All pricing will include applicable State Taxes.

Specific Inclusions:

1. Schedule A (General Superintendence and Site Preparation), Job Code 50.300.300:
 - a. Mobilization and Permits - \$100,000.00
 - b. Bonds - \$164,338.00
 - c. Temporary Traffic Control - \$10,000.00
 - d. Clearing, Grubbing, and Site Preparation - \$10,000.00
2. Schedule B (Mass Grading, Site Storm Drainage and Erosion Control), Job Code 50.300.301:
 - a. Mass Grading – Main Site, Complete - \$45,000.00
 - b. Mass Grading – Panhandle Site, Complete - \$30,000.00
 - c. Lake Construction (Three Site Ponds), Complete - \$231,465.00
 - d. Erosion Control - \$279,075.00
3. Schedule C (18 Hole Golf Course Construction), Job Code 50.100.900:
 - a. Golf Course Supervision and Administration - \$196,000.00

EXHIBIT "A"
CONTRACT AGREEMENT
BRN DEVELOPMENT, INC. and WADSWORTH GOLF CONSTRUCTION COMPANY
INCLUSIONS AND EXCLUSIONS

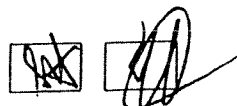
b. Sand Cap and Topsoil Management	- \$1,403,340.00
c. Golf Course Rough Shaping	- \$297,060.00
d. Golf Course Drainage	- \$551,027.00 ✓
e. Feature Construction (Greens, Tees, Bunkers)	- \$1,345,607.00 ✓
f. Cart Path Construction	- \$991,925.00 ✓
g. Golf Course Finish Shaping and Contouring	- \$212,990.00
h. Rock Picking	- \$46,700.00 ✓
i. Seed Bed Preparation	- \$320,045.00 ✓
j. Soil Amendments/Fertilizer	- \$45,401.00 ✓
k. Grassing per Plans	- \$768,622.00 ✓
l. Rock Retaining Walls	- \$133,488.00
m. Golf Course Irrigation System, Complete	- \$2,405,035.00
n. Pump Station	- \$209,820.00

TOTAL - \$9,796.938

4. Prices reflect an estimate from Wadsworth Golf Company dated November 9, 2006. Please note that affected items were changed to reflect the increase in Idaho Sales Tax from 5% to 6%.
5. Upon final acceptance of contract agreement, an additional Exhibit A-2 will be attached, specifying construction completion dates.

Specific Exclusions:

- See Contract Qualifications & Clarifications, attached hereto as Exhibit A-1.



Contract Qualifications & Clarifications
Wadsworth Golf Construction Company of the Southwest
Black Rock North - Kootenai County, ID

December 6, 2006

Staking & Layout

- ♦ Owner to provide tee, green, and turning point stakes with elevations. Owner's engineer will layout storm drainage lines.

Erosion Control

- ♦ Our proposal does not include the purchase of off-site rock for any of the specified erosion control measures. We have assumed this rock will be available on-site, at the adjacent pit site.
- ♦ The bioswale is not included in our proposal.

Dust Control

- ♦ Owner to provide and pay for construction water; Contractor to distribute water to our work areas.

Storm / Golf Course Drainage

- ♦ Our HDPE and solid trench drain pipe pricing is based on using double-wall, soil-tight pipe as manufactured by ADS.
- ♦ Our pricing is based on using on-site, native topsoil for bedding and backfilling of all solid drainage pipe runs that do not cross roadways.
- ♦ For solid HDPE golf course drainage pipe on the Weiskopf plans, all drain tile is four inch (4") diameter, except when six (6) or more catch basins or bunker connect. Then, drain tile is upsized two inches (2") for every six (6) features upstream.

Irrigation

Our proposal does not include consultant fees for staking, as-built data collection, as-built document finalization, or central controller programming. Any such fees are assumed to be by contract between the consultant and Owner.

Cart Path Construction

- ♦ Our proposal does not include cart path on golf holes #6 and #7 in the locations of the emergency fire lane. *Include cart path 8' wide w/ turnouts*

Electrical

- ♦ Owner to supply electrical power and main disconnect to main pump station to within twenty-five feet (25') of pump station location.

Trucking

- ♦ Fuel prices are unstable at this time. In the event that off-road diesel fuel prices exceed \$2.78 per gallon for an extended period of time, we reserve the right to review our pricing.

Materials Benchmarked Pricing

- ♦ The following are the cost of materials we have included in our proposal, including sales tax and freight:
 - Greens Gravel: \$ 25.44 / tn Atlas Sand & Rock
 - USGA Sand w/o Organic: \$ 34.98 / tn Atlas Sand & Rock
 - Bunker Sand ("Unipar BB202"): \$ 67.60 / tn Grass Roots Agronomics
 - ¾" Screened Bank Run Sand: \$ 14.31 /tn Interstate Concrete & Asphalt
 - 4,000 PSI Concrete w/ Fiber: \$120.00 / cy Interstate Concrete & Asphalt
 - Sod - 100% Kentucky Bluegrass: \$.286 / sf Ideal Sod

Work By Others

- ♦ Our proposal contains no allowance for preparation, management / overseeing, clean-up, or restoration of grade for work performed by subcontractors working directly for the Owner. We will work actively to coordinate our golf course construction activities with the work of others to provide for the ability of all construction to flow efficiently.

Cash Flow

- ♦ There will be significant early cash flow requirements for materials purchased and stored on-site. Due to unstable PVC resin and copper pricing, PVC pipe and wire will be benchmarked. Additional costs that may be assessed by our supplier(s) will be passed on to the Owner. We will expect no retainage to be withheld from materials stored on-site.

Proof of Financing

- ♦ We would request proof of adequate financing in place for golf course construction work prior to initiating the work.

Existing Utilities

- ♦ The cost to relocate existing utilities to allow for work to occur is excluded from our proposal. Repairs to utilities not located by Blue Stake or by the Owner's on-site personnel is also excluded.

Permits & Licenses

- ♦ Our proposal does not include the cost of permits, fees, licenses, and/or inspections necessary to execute the work. If requested, we will assist the Owner in the procurement of permits.

Quality Control

- ♦ Owner pays for all inspections and quality control testing that may be required. The cost for re-tests will be at the Contractor's expense.

~~Hazardous Materials~~

- ~~♦ Costs associated with pre-existing hazardous materials are excluded (see attached statement).~~

Tax

- ♦ Our proposal is based on the state of Idaho sales tax rate on materials of 6.0%.

End of Qualifications & Clarifications



EXHIBIT "B"
CONDITIONAL LIEN WAIVER, RELEASE AND SUBORDINATION

Payment Amount: \$ _____, 06
 For Work Through: _____, 2006

TO: BRN Development, Inc.
 P.O. Box 3070
 Coeur d' Alene, ID 83816

RE: 065040_C0002 (Black Rock North Golf Course Construction)

Upon receipt of payment of the sum of \$ _____, the undersigned waives any and all right to any lien whatever and releases all rights to lien or claim any lien against the real property associated with the above Project by the undersigned in connection with any and all work or labor performed, materials, equipment, goods, or things supplied or furnished, or any other claims or obligations owed through the date shown above, on the above-named Project.

This waiver and release does not cover rights or obligations that might accrue after the above date for additional work that may be performed. In addition, upon receipt of the payment stated above, the undersigned agrees that any lien that may be filed for work performed after said date will only have lien priority from and after the date stated above and will be subordinate to any liens or encumbrances attaching to the subject property prior to said date.

As an inducement to the above-named Owner to make the payment first described above, the undersigned further covenants and represents that it has performed the work and/or furnished the materials pursuant to and in accordance with the plans and specifications or work order in effect up through _____, 20____. The undersigned further covenants and represents that either all obligations related to labor, equipment, supplies, materials, lower tier subcontractors at all levels and consultants through the date first stated above have been fully paid, or all such obligations will be paid first out of the funds to be received before any of said funds will be applied to any other purpose and nent first described above will be sufficient to fully satisfy all such obligations.

If signed on behalf of a company, the undersigned certifies under penalty of perjury under the laws of the State of Idaho that he or she is authorized to execute the same on behalf of the company to be bound.

COMPANY: _____
 By: _____
 Its: _____

STATE of _____)
) ss.
 County of _____)

On this _____ day of _____, 2006, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared _____, known or identified to me to be the _____ of _____, the corporation that executed the foregoing instrument and acknowledged the said instrument to be a free and voluntary act and deed of the corporation, for the uses and purposes set forth therein, and on oath stated that he is authorized to execute said instrument on behalf of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

 Notary Public in and for the State of _____
 Residing at: _____
 My Commission Expires: _____

SUBCONTRACTOR'S APPLICATION FOR PAYMENT

To: **BRN Development, Inc.**

P.O. Box 3070
Coeur d' Alene, ID 83816

(208) 665-5815
(208) 665-5844

Job Name: **Black Rock North Golf Course Construction**

From: **Wadsworth Golf Construction Company**

Job No.: **06-5040**

600 N. 195th Ave.

Contract No.: **065040 C0002**

Buckeye, AZ 85326

Address: P.O. Box 3070

Pay Application #: **1**

City/State: **Coeur d' Alene**

Billing Period: _____

PAY REQUEST CALCULATION:

	(A) Amount	(B) Amount Billed Prior Periods	(C) Amount Billed This Period	(D) Total Amount Billed to Date	(E) Total % Complete
1) Base Contract:	_____	// _____	+ _____	= _____	_____
Change Orders:					
C. O. #1	_____	// _____	+ _____	= _____	_____
C. O. #2	_____	// _____	+ _____	= _____	_____
2) Total Approved Contract:	_____	// _____	+ _____	= _____	_____
3) Less Retainage @			_____	_____	
4) Total Earned Less Retainage:			_____	_____	
5) Less Previous Net Billings:			_____	_____	
CURRENT PAYMENT DUE:			_____	_____	

(C4 must
equal D5)

Date: _____

Authorized Signature: _____

SA *PL*

EXHIBIT "D"
SUBSTANCE ABUSE PROGRAM REQUIREMENTS

Subcontractor shall develop, implement, and maintain a Substance Abuse Program (SAP) to assure all subcontractor employees are free from drug and alcohol impairments.

Subcontractor shall provide a letter, which confirms their compliance with this requirement in the Site Specific Safety Plan, which is required by Contract General Conditions. An example letter is attached. Subcontractor shall submit the Site Specific Safety Plan for review prior to beginning work on the project.

Subcontractor's SAP shall be developed to meet or exceed the requirements of Owner's SAP. A copy of Owner's SAP will be made available upon request. Key elements of Owner's SAP include:

Mandatory Pre-Employment Testing

Reasonable Suspicion and Post-Accident Involvement Testing

Subcontractor shall pay all costs associated with developing, implementing, achieving and maintaining the SAP for their employees. These costs include, but are not limited to, transportation costs, laboratory costs, collection costs, and wages during testing.

Subcontractor shall indemnify and hold harmless Owner against any and all claims, demands, suits, or liability that may arise out of the development, implementation, achievement, and maintenance of the SAP.

[Handwritten signature]

EXHIBIT "D"
SUBSTANCE ABUSE PROGRAM REQUIREMENTS

09-18-06

Owner: BRN Development, Inc.
Owner Address: P.O. Box 3070
Coeur d' Alene, ID 83816

Attn: Kyle Capps

RE: 065040_C0002
(Black Rock North Golf Course Construction)

Wadsworth Golf Course Construction Company has developed and will maintain a Substance Abuse Program (SAP) to assure that all subcontractor employees are free from drug and alcohol impairments. Our SAP meets or exceeds the requirements of Owner's Substance Abuse Program and allows testing for reasonable suspicion and post-accident involvement situations.

We currently plan to place the following employees on this project and we certify that they have been tested in accordance with our SAP.

If additional employees are placed on the project, we will test them in accordance with our SAP policy.

We understand that Owner may elect to check our SAP compliance by reviewing program requirements and auditing employee test records. We will cooperate fully with this compliance check process.

Sincerely,

(Subcontractor Representative)

(Date)

EXHIBIT "D"
SUBSTANCE ABUSE PROGRAM REQUIREMENTS

09-18-06

Owner: BRN Development, Inc.
Owner Address: P.O. Box 3070
Coeur d' Alene, ID 83816

Attn: Kyle Capps

RE: 065040_C0002
(Black Rock North Golf Course Construction)

Wadsworth Golf Course Construction Company has developed and will maintain a Substance Abuse Program (SAP) to assure that all subcontractor employees are free from drug and alcohol impairments. Our SAP meets or exceeds the requirements of Owner's Substance Abuse Program and allows testing for reasonable suspicion and post-accident involvement situations.

We currently plan to place the following employees on this project and we certify that they have been tested in accordance with our SAP.

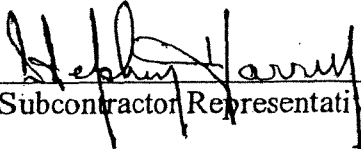
Lance Phillips

To be determined.

If additional employees are placed on the project, we will test them in accordance with our SAP policy.

We understand that Owner may elect to check our SAP compliance by reviewing program requirements and auditing employee test records. We will cooperate fully with this compliance check process.

Sincerely,


(Subcontractor Representative)

12/4/06
(Date)

WADSWORTH GOLF CONSTRUCTION COMPANY

POLICY NO. 9
SUBSTANCE ABUSE POLICY

POLICY STATEMENT. The Company wishes to recognize the value of establishing a workforce and workplace free of substance abuse. Therefore it is in the Company's best interest to adopt and implement a Substance Abuse Policy.

OBJECTIVE. To provide a program that will identify the abusers before the workplace is made unsafe and assist the employee in overcoming the need to abuse substances which can potentially endanger the employee's health and, by impairing their own ability to perform their duties, endanger the health of their co-workers.

SCOPE. All employees, jobsites, facilities and locations of the Company's operations shall be governed by this policy. With respect to the employees, this policy shall be construed to include all time spent at or away from the workplace in the performance of their employment duties.

IMPLEMENTATION. The management of the Company shall dedicate itself to providing the necessary active leadership and support of this policy in order to develop, train and maintain a substance abuse program. In particular, a program shall be implemented which provides for a safe and efficient work environment by prohibiting the following activities:

- 1) Use, possession, manufacture, distribution, dispensation or sale of illegal drugs or alcoholic beverages on company premises or company business, in company supplied vehicles, or during working hours.
- 2) Use or possession, or any manufacture, distribution, dispensation or sale of a controlled substance or alcoholic beverages on company premises or while on company business or while in company supplied vehicles.
- 3) Storing in an automobile or other repository on company premises any controlled substance, the use of which is unauthorized.
- 4) Being under the influence of a controlled substance or alcoholic beverage on company premises or while on company business, or while in company supplied vehicles.
- 5) Any possession, use, manufacture, distribution, dispensation or sale of illegal drugs off company premises that adversely affects an employee's work performance, the safety of other employees, or the company's regard or reputation in the community.

Certificate of
DOT Drug and Alcohol Program Enrollment

Wadsworth Golf Construction Co.

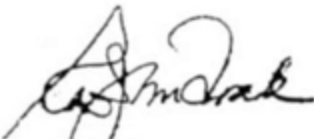
The Employer listed above has enrolled in a *Drug and Alcohol Testing Program* with Foley Services, Inc. that meets the requirements of DOT Regulation 49 CFR Parts 382 & 40.

600 No. 195th Ave.
Buckeye, AZ 85326

Program Start Date: 10/1/02

Program is current through: 10/1/07

Client Code: WAG2



Roxanne J. Swidrak
Vice President Operations

Foley Services, Inc. • 655 Winding Brook Drive, Glastonbury, CT 06033 • (800) 253-5506 • www.FoleyServices.com

Your Single Source for DOT Compliance

0007

Foley Services, Inc.

655 Winding Brook Drive

Glastonbury, CT 06033

QUARTERLY MAILING

Please find the issues of our *DOT Safety Regulation Update Fast-Fax™* that were published during the previous quarter. During the past quarter we discussed important regulatory issues that you should be aware of and we have offered through our *Fast-Fax Features™*, new products that are available from Foley Services, Inc.

If you would like to have issues of *DOT Safety Regulation Update Fast-Fax™* faxed to you weekly, instead of mailed quarterly, please call us at:
1-800-253-5506 ext. 286

We appreciate your business and hope that you find the information we have sent useful to you, in your position, and throughout your business.

Should you have any questions, concerns or special topics that you would like to see discussed please contact us at:

1-800-253-5506

For additional products and services offered by Foley Services, Inc., please visit us our website:

www.FoleyServices.com

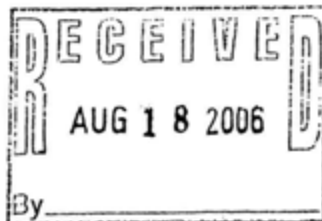


EXHIBIT "E"

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE
(MM/DD/YY)

PRODUCER

Insurance Broker
Address
City, State, Zip

INSURED

Subcontractor Name
Address
City, State, Zip

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOT WITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND, OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURER A:	INSURANCE COMPANY	BEST RATING
INSURER B:	INSURANCE COMPANY	BEST RATING
INSURER C:	INSURANCE COMPANY	BEST RATING
INSURER D:	INSURANCE COMPANY	BEST RATING

Insr. Ltr.	Type of Insurance	Policy Number	Policy Effective Date	Policy Expiration Date	Limits	
A	General Liability <input checked="" type="checkbox"/> Commercial General Liability _ Claims made <input checked="" type="checkbox"/> Occur. Gen/Aggregate Limit Applies per: _ Policy <input checked="" type="checkbox"/> Project _ Location	Policy Number	00/00/00	00/00/00	Each Occurrence Fire Damage (any one fire) Med Exp (any one per Personal & Adv Injury General Aggregate Products-Comp/Op Agg	\$1,000,000 \$50,000 \$5,000 \$1,000,000 \$2,000,000 \$2,000,000
B	Automobile liability <input checked="" type="checkbox"/> Any Auto _ All Owned Autos _ Scheduled Autos <input checked="" type="checkbox"/> Hired Autos <input checked="" type="checkbox"/> Non-Owned Autos Garage Liability _ Any Auto	Policy Number	00/00/00	00/00/00	Combined Single Limit (each accident) Bodily Injury (per person) Bodily Injury (per accident) Property Damage (per accident)	\$1,000,000 \$ \$ \$
		Policy Number	00/00/00	00/00/00	Auto Only- Ea Accident Other than Auto only: Each Accident Aggregate	\$ \$ \$
C	Excess Liability <input checked="" type="checkbox"/> Occur Claims Make _ Deductible _ Retention	Policy Number	00/00/00	00/00/00	Each Occurrence Aggregate *for subcontracts in excess of \$1M, the Excess Liability Amounts must be \$5,000,000.	\$1,000,000* \$1,000,000*
D	Workers' Compensation and Employers' Liability	Policy Number	00/00/00	00/00/00	<input checked="" type="checkbox"/> WC Statutory Limits _ Other E.L. Each Accident E.L. Disease-EA Employee E.L. Disease-Policy Limit	\$1,000,000 \$1,000,000 \$1,000,000
	Other					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Project Name and Number: Black Rock North Golf Course Construction (06-5040)

Job #: 065040_C0002

Owner: BRN Development, Inc is Additional Insured per attached Endorsement. Coverage is primary and Non-Contributory with any carried by Wadsworth Golf Construction Company per attached Endorsement. Waiver of Subrogation applies in favor of BRN Development, Inc. per attached Endorsement.

CERTIFICATE HOLDER

Owner: BRN Development, Inc.
Owner Address: P.O. Box 3070
Coeur d' Alene, ID 83816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT

AUTHORIZED REPRESENTATIVE

2002

SA

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY**ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS (FORM B)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

Schedule:

Owner: BRN Development, Inc.
Job No. 065040_C0002
Owner Address: P.O. Box 3070
Coeur d' Alene, ID 83816

Name of Person or Organization:

**Owner: BRN Development, Inc.
and subcontractors.**

(If no entry appears above, information to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in Schedule, but only with respect to liability arising out of "your work" for that insured by or for you.

NAMED INSURED: Contractor Name (policy holder)

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ CAREFULLY.**BLANKET ADDITIONAL INSURED ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization (called additional insured) whom you are required to add as an additional insured on this policy under.

1. A written contract or agreement; or
2. An oral agreement or contract where a certificate of insurance showing that person or organization as an additional insured has been issued; but the written or oral contract or agreement must be:
 - a. currently in effect or becoming effective during the term of this policy; and
 - b. executed prior to the "bodily injury", "property damage", "personal injury", or "advertising injury".

The insurance provided to the additional insured is limited as follows:

1. That person or organization is only an additional insured with respect to liability arising out of:
 - a. Premises you own, rent, lease, or occupy; or
 - b. "Your work" for that additional insured by or for you.
2. The Limits of Insurance applicable to the additional insured are those specified in the written contract or agreement or in the Declarations for this policy, whichever is less. These Limits of Insurance are inclusive and not in addition to the Limits of Insurance shown in Declarations.

The insurance provided to the additional insured does not apply to "bodily injury", "property damage", "personal injury", or "advertising injury" arising out of an architect's, engineer's, or surveyor's rendering of or failure to render any professional services including:

1. The preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports surveys, change orders, design or specifications; and
2. Supervisory, inspection, or engineering services.

Any coverage provided hereunder shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a contract specifically requires that this insurance be primary or you request that it apply on a primary basis.

THIS ENDORSEMENT IS A PART OF YOUR POLICY AND TAKES EFFECT ON THE EFFECTIVE DATE OF YOUR POLICY UNLESS ANOTHER EFFECTIVE DATE IS SHOWN BELOW.

POLICY CHANGE NO:	EFFECTIVE DATE:
COUNTERSIGNED DATE:	AUTHORIZED REPRESENTATIVE:

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

ADDITIONAL INSURED PRIMARY COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This insurance is primary for the person or organization shown in the schedule, but only with respect to liability arising out of your work for that insured by or for you. Other insurance afforded to that insured will apply as excess and not contribute as primary to the insurance afforded by this endorsement.

All other endorsements, provisions, conditions, and exclusions of this insurance shall remain unchanged and apply to the additional insured described below.

SCHEDULE

ADDITIONAL INSURED

OWNER: BRN Development, Inc.

CONTRACT/PROJECT

065040_C0002 (Black Rock North Golf Course Construction)

NAMED INSURED: BRN Development, Inc. (policy holder)

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY
AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART**Schedule:**

Owner: BRN Development, Inc.
Job No. 065040_C0002
Owner Address: P.O. Box 3070
Coeur d' Alene, ID 83816

Name of Person or Organization:

**Owner: BRN Development, Inc.
and subcontractors.**

(if no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US Condition (Section IV – COMMERCIAL GENERAL LIABILITY CONDITIONS) is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work": done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

NAMED INSURED: BRN Development, Inc. (policy holder)

INSURANCE COMPLIANCE STATEMENT

Subcontractor Name: _____

Subcontractor License/Registration Number: _____

Subcontractor Phone: _____ Subcontractor Fax: _____

Project: _____

SECTION BELOW TO BE COMPLETED BY YOUR INSURANCE AGENT INTRODUCTION

The purpose of this document (Subcontractor Insurance Compliance Statement) is to confirm that the insurance requirements contained in our Subcontract Agreement with your company are provided for our mutual protection. Certificates of Insurance forms typically used by the insurance industry are inadequate, given the number of restrictive endorsements currently used by the insurance industry and not notated on the certificates. This document supplements the Certificate of Insurance and **must be completed by your insurance agent** for our mutual benefit. Please have your agent fax a copy of this Statement with your initial Certificate of Insurance, and **mail the original hard copies to our office**. We will require this Statement once per policy period per job.

Are any of the following restrictive endorsements on your Commercial General Liability or Umbrella exclusions?

- | | | | |
|---|--|-----------|----------|
| 1 | Residential or multi-family exclusions | Yes _____ | No _____ |
| | Including Condos | Yes _____ | No _____ |
| 2 | Subsidence or earth movement exclusion | Yes _____ | No _____ |
| 3 | Exterior Insulation and Finish System | Yes _____ | No _____ |
| 4 | Mold or indoor air quality exclusion | Yes _____ | No _____ |
| 5 | Damage to your work performed by subcontractor exclusion | Yes _____ | No _____ |

Does your policy provide:

- | | | | |
|---|--|-----------|----------|
| A | Additional Insured Status to include completed operations exposure | Yes _____ | No _____ |
| B | Contractual coverage provided to include the tort liability assumed in the Hold Harmless Agreement | Yes _____ | No _____ |

Name of Subcontractor: _____

Completed by: _____
(Subcontractor's Insurance Agent)

Name

Date

Agency

Agency's Phone Number

INSURANCE COMPLIANCE STATEMENT

Subcontractor Name: Wadsworth Golf Construction Corp of the S/WSubcontractor License/Registration Number: RCE-19920Subcontractor Phone: (623) 853-9100 Subcontractor Fax: (623) 853-0217Project: Black Rock North Golf Course**SECTION BELOW TO BE COMPLETED BY YOUR INSURANCE AGENT**
INTRODUCTION

The purpose of this document (Subcontractor Insurance Compliance Statement) is to confirm that the insurance requirements contained in our Subcontract Agreement with your company are provided for our mutual protection. Certificates of Insurance forms typically used by the insurance industry are inadequate, given the number of restrictive endorsements currently used by the insurance industry and not notated on the certificates. This document supplements the Certificate of Insurance and must be completed by your insurance agent for our mutual benefit. Please have your agent fax a copy of this Statement with your initial Certificate of Insurance, and mail the original hard copies to our office. We will require this Statement once per policy period per job.

Are any of the following restrictive endorsements on your Commercial General Liability or Umbrella exclusions?

- | | | | |
|---|--|--------------|-------------|
| 1 | Residential or multi-family exclusions | Yes _____ | No <u>✓</u> |
| | Including Condos | Yes _____ | No <u>✓</u> |
| 2 | Subsidence or earth movement exclusion | Yes _____ | No <u>✓</u> |
| 3 | Exterior Insulation and Finish System | Yes _____ | No <u>✓</u> |
| 4 | Mold or indoor air quality exclusion | Yes <u>✓</u> | No _____ |
| 5 | Damage to your work performed by subcontractor exclusion | Yes _____ | No <u>✓</u> |

Does your policy provide:

- A Additional Insured Status to include completed operations exposure Yes ✓ No _____
- B Contractual coverage provided to include the tort liability assumed in the Hold Harmless Agreement Yes ✓ No _____

a hold harmless is considered an insured contract.

Name of Subcontractor: _____

Completed by: _____
(Subcontractor's Insurance Agent)

Name

Signature Agency

Agency

12-19-06

Date

620719-0699

Agency's Phone Number

ACORD™ CERTIFICATE OF LIABILITY INSURANCEDATE (MM/DD/YYYY)
12/29/06**PRODUCER**

WAUSAU SIGNATURE AGENCY
431 OPUS PL SUITE 300
MUNTERS GROVE, IL 60515
719-0704

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

NAIC #

INSURED

Wadsworth Golf Const Co. of the S.W.
600 N. 195th Ave
Buckeye, AZ 85326

INSURER A: **WAUSAU BUSINESS INSURANCE COMPANY**INSURER B: **EMPLOYERS INSURANCE COMPANY OF WAUSA**INSURER C: **WAUSAU UNDERWRITERS INSURANCE CO.**

INSURER D:

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> BI/PD Ded: \$5,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	TBKY91432654056	12/31/06	12/31/07	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS GARAGE LIABILITY <input type="checkbox"/> ANY AUTO	ASKY91432654026	12/31/06	12/31/07	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC AGG \$
B		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10000	THCY91432654036	12/31/06	12/31/07	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$ \$ \$
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	WAJY91432654046	12/31/06	12/31/07	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

RE: JOB 06-5040

THE CERTIFICATE HOLDER IS AN ADDITIONAL INSURED ON THE GENERAL LIABILITY WITH RESPECT TO LIABILITY ARISING OUT OF OPERATIONS PERFORMED BY THE NAMED INSURED.

(See Attached Descriptions)

CERTIFICATE HOLDER

BRN DEVELOPMENT INC
PO BOX 3070
Coeur D Alene, ID 83816

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

**Request for Taxpayer
Identification Number and Certification**

Give form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2

Name (as shown on your income tax return)

Business name, if different from above

Wadsworth Golf Construction Company of the Southwest

Check appropriate box: ☐ Individual/
Sole proprietor

☒ Corporation

☐ Partnership

☐ Other ▶

☐ Exempt from backup
withholding

Address (number, street, and apt. or suite no.)

600 N. 195th Avenue

Requester's name and address (optional)

City, state, and ZIP code

Buckeye, AZ 85326

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number
| | | + | | | |

or

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign
Here

Signature of
U.S. person ▶

Stephen J. Jandy

Date ▶ **1/29/07**

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,



217- Agreement

Coeur d'Alene
BLACK ROCK
A DEVELOPMENT COMPANY

January 27, 2007

Wadsworth Golf Construction Co.
Steve Harrell
600 N 195th Ave.
Buckeye, AZ 85326

Dear Steve,

Enclosed please find the contract between BRN Development, Inc. and Wadsworth Golf Construction Company, in its entirety. We have reviewed the changes you requested and our attorneys have made additions and/or deletions to the contract accordingly. Please note that we have included as Exhibit A-1, your Contract Qualifications and Clarifications, however, as discussed, we will require a revision of that document, omitting the provision relating to the Golf Cart Path Construction and also omitting the Pre-Existing Hazardous Substances document.

We appreciate your thoroughness in reviewing our contract and look forward to finalizing the document soon.

Sincerely,

Kyle Capps, CGCS

PS: Pursuant to previous discussions, you will be required to obtain Hazardous Materials and Pollution Liability insurance.

2011



SOUTHWEST

600 N. 195th Avenue ■ Buckeye, Arizona 85326 ■ 623/853-9100 ■ Fax 623/853-0217

December 26, 2006

To: Kyle Capps

From: Steve Harrell

Under cover of this transmittal we are sending you

- 1) Original executed copy of Performance and Labor payment bond in contract amount of \$9,796,938.00.
- 2) Safety and Health Program
- 3) Contract Exhibit D-Substance Abuse Program
- 4) Unit Price Schedule for making adjustments to the contract quantity.
- 5) List of Contract Drawing and Specifications



America's premier golf course builder

**WADSWORTH GOLF CONSTRUCTION COMPANY
SAFETY & HEALTH PROGRAM**

for

**Black Rock North GC
Coeur d'Alene, ID**



INDEX

1.	SAFETY AND HEALTH POLICY	6
2.	INTRODUCTION	7
3.	FUNCTIONS AND RESPONSIBILITIES	9
	3.1 Management	
	3.2 Superintendents	
	3.3 Employees	
	3.4 Subcontractors / sub-tier contractors	
4.	OCCUPATIONAL SAFETY & HEALTH ADMINISTRATION	11
5.	DRUG POLICY/GENERAL REQUIREMENTS	11
6.	HAZARD COMMUNICATIONS POLICY/GENERAL REQUIREMENTS	
	CONSTRUCTION STANDARDS 1926.59	14
7.	REPORTING, ACCIDENT INVESTIGATION, AND RECORDKEEPING	18
	CONSTRUCTION STANDARDS 1926.22	
	CONSTRUCTION STANDARDS 1926.23	
	7.1 Reporting Accidents	
	7.2 Investigation of Incidents	
	7.3 Recordkeeping	
	7.4 Return to Work	
8.	SAFETY EDUCATION	20
	CONSTRUCTION STANDARDS 1926.21	
	8.1 Safety Orientation of New Employee to Black Rock North Golf Course Project.	
	8.2 Safety Orientation to Wadsworth Golf Construction jobsite	
	8.3 Training	

9. HOUSEKEEPING	21
CONSTRUCTION STANDARDS 1926.25	
9.1 General Requirements	
9.2 Handling Waste and Debris	
10. PERSONAL PROTECTIVE EQUIPMENT	22
CONSTRUCTION STANDARDS 1926.28	
10.1 Approvals	
10.2 Hard Hats, 1926.100	
10.3 Safety Glasses/Prescription Glasses, 1926.102	
10.4 Mono-goggles/Face Shields, 1926.102	
10.5 Eye and Face Protection for Welding & Burning, 1926.102	
11. WORK CLOTHING	22
11.1 General Rules	
12. NOISE EXPOSURE	23
CONSTRUCTION STANDARDS 1926.101	
12.1 General Requirements	
12.2 Protection	
12.3 Radios, MP3, and compact disc players	
13. NON-IONIZING RADIATION (LASERS)	23
CONSTRUCTION STANDARDS 1926.54	
13.1 General Requirements	
14. WALKING & WORKING SURFACES	23
CONSTRUCTION STANDARDS 1926.500	
14.1 General Requirements	
15. TEMPORARY BUILDINGS AND TRAILERS	24
CONSTRUCTION STANDARDS 1926.151(B)	
15.1 General Requirements	
15.2 Tie Downs Guidelines	

16. CONFINED SPACE ENTRY (INCLUDING MANHOLES)	25
CONSTRUCTION STANDARDS 1926.21(B) 6, .353(B), 352 8	
16.1 General Requirements	
16.2 Procedure	
17. HAND AND POWER TOOLS	26
CONSTRUCTION STANDARDS 1926.951	
17.1 General	
17.2 Using Hand Tools Safely	
17.3 Wrenches	
17.4 Chisels	
17.5 Screwdrivers	
17.6 Saws	
17.7 Gasoline Engine Driven Tools	
17.8 Portable Grinders	
17.9 Pneumatic Tools	
18. ELECTRICAL SAFETY	29
CONSTRUCTION STANDARDS 1926.400	
18.1 Hazardous Locations	
18.2 Disconnect and Overload Protection	
18.3 Ground Fault Circuit Interrupters (GFCI)	
18.4 Equipment & Maintenance	
18.5 Installation	
19. LADDERS	30
CONSTRUCTION STANDARDS 1926.450	
19.1 General Requirements	
19.2 Proper Selection	
20. HEAVY EQUIPMENT	31
20.1 General	
20.2 Earth Moving Equipment & Trucks	
20.3 Off Road Operations	

21. EMPLOYEE GROUND TRANSPORTATION	34
21.1 Mobile Equipment	
21.2 Heavy Trucks	
21.3 Pick Up Trucks	
22. EXCAVATIONS, TRENCHES	35
CONSTRUCTION STANDARDS 1926.650, .651, 652,	
23. SILICA EMPHASIS PROGRAM	44
23.1 Potential Exposures	
23.2 Health Effects	
23.3 Procedures	
24. LOCK OUT / TAG OUT PROCEDURES	46
24.1 Site Energizing	
24.2 Circuit Energizing	
24.3 Equipment Energizing	
24.4 Final Procedures	
24.5 Other Equipment	
24.6 Employee Training	

APPENDIX	(To be added as Project forms are provided, or WGCC forms are re-formatted for Black Rock North Golf Course Project)	
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49

APPENDIX A	Black Rock North Golf Course Project Orientation
APPENDIX D	Project Report Matrix



America's premier golf course builder

1. SAFETY & HEALTH POLICY

TO:

ALL WADSWORTH GOLF CONSTRUCTION COMPANY EMPLOYEES

The safety of everyone concerned on our construction projects is of prime importance to Wadsworth Golf Construction Company. We are committed to providing a safe environment for all workers and for the public from hazards associated with the construction of the *Black Rock North Golf Course Project*.

The prevention of accidents by means of safe work practices and procedures will benefit all by avoiding needless personal injury or health exposures. Your compliance with this Program will reduce individual suffering caused by injury, reduce property damage, and contribute to the success of our company.

The primary goal established for the *Black Rock North Golf Course Project* is to safely construct the Project with "ZERO ACCIDENTS"; totally free from lost time injuries for the mutual benefit of the worker, environment, and community.

We support that objective.

Steve Harrell
President

2. INTRODUCTION

SAFETY & HEALTH PROGRAM OBJECTIVES

2.1 Program Objectives

The Wadsworth Golf Construction Company (WGCC) accident and health exposure prevention program is established in order to exercise all available means of eliminating or controlling hazards and thus (a) minimize personal injuries and/or property loss; (b) achieve greater efficiency and, (c) reduce direct and indirect costs.

The effectiveness of this program will depend upon the active participation and wholehearted support and cooperation of site supervisors and employees, and the coordination of their efforts in carrying out the following basic procedures.

- a) Plan all work to minimize personal injuries, property damage and loss to productive time.
- b) Maintain a system of prompt detection and correction of unsafe practices and conditions.
- c) Establish and conduct safety training programs to educate, stimulate and maintain the interest and cooperation of all employees in maintenance of a safe jobsite and safe work practices.
- d) Insistence upon: (a) the proper use of personal protective equipment, mechanical safety devices and guards, (b) the use of the proper tools and equipment to do the job.
- e) Require each subcontractor's superintendent and job supervisors to be familiar with all applicable Federal, State and Local statutes, regulations and contract requirements pertaining to safety in the operations to be performed.

2.2 Enforcement of Safety & Health Program Objectives

It is a condition of employment with Wadsworth Golf Construction Company that each employee and site management representative comply with WGCC corporate and customer site specific safety, health and environmental rules, regulations, and procedures.

The progressive disciplinary action taken by Wadsworth Golf Construction Company to ensure compliance with company safety rules and regulations shall be determined by the seriousness of the violation of safe work practices or procedures. Progressive disciplinary action to be taken for violation of established rules and regulations for employee or public safety is as follows:

1. **First Offense:** A written citation (warning) will be issued to the employee for violation of WGCC safety rules and regulations, or those of specific projects.
2. **Second Offense:** If cited for a second safety violation of any type within one quarter calendar year of the first offense, the employee will attend a meeting with the Project Supervisor and WGCC safety personnel to discuss safety training and safe work practices on the job. The employee may be suspended from work without pay for a period of up to three scheduled work days.
3. **Third Offense:** A third safety violation will result in termination from employment with WGCC.

Serious violations of established rules, regulations or procedures related to employee or public safety, repeated violations, or the refusal to follow safety and health rules will result in immediate discharge from employment with WGCC.

3. FUNCTIONS AND RESPONSIBILITIES

3.1 MANAGEMENT

- Has full responsibility for safety.
- Holds executives responsible for the safety of all employees.
- Authorizes necessary expenditures for safety.
- Participates in the safety program.

3.2 PROJECT SUPERINTENDENTS

- Responsible for all jobsite safety activity.
- Requires all employees and subcontractors in their charge to comply with corporate safety policies.
- Reviews and passes on all safety recommendations as submitted by the Employees, Safety Personnel, and the Team representatives regarding conditions and work practices on the Black Rock North Golf Course Project.
- Inspect for compliance with safe work practices.

- Assures Training of workers in their charge to work safely.
- Assures that equipment is operated only by trained and QUALIFIED personnel
- Responsible for obtaining prompt first aid to injured.
- Report and investigate all accidents and correct causes.
- Assures that crew safety meetings are held weekly.
- Discuss safety with individual employees.
- Conduct Employee orientation to Wadsworth Golf Construction Company site and maintain a log. Appendix D
- Responsible for all jobsite safety activity.
- Require all WGCC employees and subcontractors in their charge to comply with safety policies. Appendix A, and report matrix D
- Coordinate WGCC corrective action on all safety recommendations as submitted by the Employees and Safety Personnel regarding conditions and work practices on their jobsites.
- Inspect for compliance with safety work practices daily. Assure that daily equipment inspections occur and are documented.
- Train workers to work safely.
- Responsible for obtaining prompt first aid to injured.
- Report and investigate all accidents and correct causes.
- Hold and document weekly crew Tool Box meetings.
- Discuss safety with individual employees.
- Assure subcontractors' management compliance to safe work practices
- Develop Job Safety Analysis (JSA's) or Safety Action Plans where required
- Maintain list of Chemical substances brought to jobsite by WGCC for Hazard Communication Program, with a copy of Material Safety Data Sheet (MSDS) of inventory provided to Black Rock North Golf Course when requested. Train all WGCC employees in MSDS and Hazard Communication Program, and document training. Section 6, test.

3.3 EMPLOYEES

- Work in accordance with accepted safe practices.
- Report unsafe conditions and practices to their Supervisor, Superintendents, and WGCC Safety personnel.
- Observe safety rules and regulations including use of personal protective equipment.
- Make safety suggestions.
- Does not undertake jobs he or she does not understand.
- Report all injuries to their Supervisor - no matter how slight.

3.4 SUBCONTRACTORS

Each Subcontractor and Sub-tier Contractor shall abide by Black Rock North Golf Course *Construction Safety & Health Guidelines*, Federal / Idaho State OSHA Regulations, local and county laws and regulations that are applicable. Each Subcontractor is to provide a copy of the Black Rock North Golf Course *Construction Safety & Health Guidelines* to any sub-tier contractor with whom they contract to do work on the Project. Each Subcontractor and sub-tier contractor is responsible for protecting the health and safety of its employees while ensuring they have a safe and healthful place to work.

Each Subcontractor shall be held responsible for all its lower-tier Subcontractor's compliance with the project safety requirements. Progress payments may also cease until the Subcontractor and/or its Sub-tier contractor is in full compliance with all applicable safety and health rules, standards and regulations.

Each Subcontractors and / or sub-tier contractor shall bear sole and exclusive responsibility for the safety and health of employees, subcontractors, visitors, and vendors in accordance with State, Local and Federal regulations, and the Contract Documents in all phases of their work. Nothing contained herein shall relieve such responsibility.

Each Subcontractor is required to designate an on-site Safety Representative who is charged with the subcontractors' responsibility of on-site safety management.

Subcontractors and / or sub-tier contractors are required to develop their own written site-specific safety and health plans for the Black Rock North Golf Course Project. At minimum, the safety and health plan shall meet the requirements of 29CFR1926 – Federal OSHA Construction Regulations, Idaho State and local requirements and the Black Rock North Golf Course *Construction Safety & Health Guidelines*. Wadsworth Golf

Construction Company bears no responsibility for either the quality of such plans or their enforcement. Subcontractors and / or sub-tier contractors will be monitored for implementation and application of their respective safety plans at the work site.

The Subcontractors and / or sub-tier contractors shall not receive additional payment or reimbursement for safety items and procedures, which have been identified as required by the Project Safety and Health Guidelines.

4. OCCUPATIONAL SAFETY & HEALTH ADMINISTRATION

The OSHA Safety and Health Construction Standards (29CFR 1926/1910) issued by the U.S. Department of Labor, Occupational Safety and Health Administration, the OSHA Safety and Health Construction Standards of the State of Idaho, and local requirements are hereby incorporated in the Safety Program for WADSWORTH GOLF CONSTRUCTION COMPANY.

The job site superintendent will have completed a 10 Hour OSHA Construction Standards course (2002), and maintain a reference copy of the OSHA standards of Idaho State on the project site.

5. DRUG POLICY / GENERAL REQUIREMENTS

Wadsworth Golf Construction Company and the Black Rock North Golf Course Project Team are committed to providing project employees with a drug-free and alcohol-free workplace. It is our goal to protect the health and safety of these employees and visitors to our job site, promote a productive workplace, and protect the reputation of our project.

Consistent with those goals, the use, possession, distribution or sale at project sites of drugs, drug paraphernalia or alcohol is prohibited.

Employees refusing to comply with this Drug and Alcohol Policy will not be permitted to work on the WGCC job site of Black Rock North Golf Course project. Subcontractors and sub-tier contractors refusing to comply with this Drug and Alcohol Policy will not be permitted to work on this project and will be noted as being in violation of their contract with Wadsworth Golf Construction Company on this project.

This Policy does not represent a contract between the Owner (Black Rock North Golf Course), the Team, Construction Managers, General Contractors, Subcontractors, employees or perspective employees of the project.

POLICY ADMINISTRATION

It is our combined goal to protect the health and safety of personnel, craft workers, and visitors to our job site; to promote a productive workplace, and protect the reputation of this program.

A. Prohibited Substances

1. Drugs or Drug is defined as any substance which may impair mental or motor function including but not limited to illegal drugs, controlled substances, designer drugs, synthetic drugs, look alike drugs, and under circumstances described in this policy - prescription drugs.
2. Alcohol is defined as any beverage or substance containing alcohol, ethyl alcohol or ethanol. "Alcohol Testing or Alcohol test means testing by certified breath-alcohol technician using a DOT approved initial screening device or urine alcohol testing conducted by a certified laboratory and confirmed by gas chromatography/mass spectroscopy (GC/MS)". Test levels must not meet or exceed .04 grams per 210 liter of breath/urine.

B. Pre-Project Testing

Prior to the beginning work on this Project, employees will be required to meet the requirements of this policy with a negative (passing) test result. Employees not meeting the requirements will not be allowed to work on this job site.

C. Additional Testing of Employees

1. **Post Accident:** Direct involvement or possible involvement in any type of work related accident resulting in injury or property damage in excess of \$5000. This test will be paid for by the employer of the individual involved. The results of the testing must be made available to the Workers Compensation Carrier claim representative for the purpose of adjudication.

It is agreed that drug and alcohol testing of employees shall be required after each and every work related accident. This testing shall take place at the contracted medical facility providing treatment for the injury, using the NIDA standards. A work related accident is defined as an accident resulting in an injury requiring treatment by a physician to the employee or other employees injured and / or resulting in damage to property or equipment.

2. **Reasonable Suspicion:** Is defined as supervision having a reason to suspect employee drug or alcohol use.

D. Points of Understanding Regarding Substance Abuse Testing

1. Wadsworth Golf Construction Company, the contracted medical facility and the testing laboratory agree that the results of the described tests are to be held in strictest **CONFIDENCE** between WGCC, the Workers Compensation claim administrator and the medical facility (MRO). This is an issue of employee – employer relationship (employment) and falls under the requirements within the employers program.
2. This statement is noted for the purpose of adjudicating a workers compensation claim. The Workers Compensation claim administrator will receive all accident related drug and alcohol test results from the testing facility.

E. Testing Procedures

At a minimum pre-project and post accident testing is required. The testing will be completed by a National Institute on Drug Abuse (NIDA) certified laboratory, using testing methods and media consistent with their standards.

1. The following drugs are to be tested for:

Marijuana, Cocaine, Opiates, Amphetamines, Phencyclidine, Barbiturates, Benzodiazepines, Methadone, Propoxyphene

2. For reasons of safety, any employee subject to a reasonable suspicion test shall be suspended until test results are available.

F. Prescription Drugs

The use of current valid prescription Drugs that may impair an Employee's ability to safely perform his or her duties must be reported to the safety director, supervisor and management personnel.

G. Alcoholic Beverages

Under no circumstances are alcoholic beverages allowed on Black Rock North Golf Course project, or Wadsworth Golf Construction Company job site.

H. Disciplinary Action

1. A positive pre-project or post accident test will result in worker dismissal from the Black Rock North Golf Course project site.
2. Employees found using, selling, possessing or manufacturing drugs shall be removed from the project and will be reported to local law enforcement.

I. Confidentiality

All actions taken under this policy will be in conformance with the Local Drug Testing Act

J. Subcontractors and Vendors

Subcontractors, sub-tiered contractors, vendors and their employees shall cooperate with this policy in achieving a drug-free and alcohol-free workplace.

K. Amendments to Policy

Amendments to this policy may be issued to comply with project owner requirements, state or local laws, or federal contract requirements.

6. HAZARD COMMUNICATIONS POLICY/GENERAL REQUIREMENTS

The purpose of this section is to ensure that the hazards of all chemicals purchased and brought on the Black Rock North Golf Course project are evaluated, and that information concerning their hazards is transmitted to employees. This transmittal of information shall be accomplished by means of this comprehensive hazard communication program.

Copies of all MSDS documents brought on the Black Rock North Golf Course project by WGCC or its subcontractors will be provided to the Black Rock North Golf Course project representative.

Chemical Inventory

Wadsworth Golf Construction Company's site management representative shall maintain an inventory record of copies of any material safety data sheets relating to chemicals that are received with incoming shipments of sealed containers. All purchase orders shall require a material safety data sheet for sealed containers of hazardous chemicals.

Material safety data sheets shall be readily accessible during each work shift to employees when they are in their work areas.

Container Labeling

Chemicals on site will be stored in their original or approved containers with a proper label attached, except small quantities for immediate use. Any container not properly labeled shall be given to Wadsworth Golf Construction Company's site safety personnel for labeling or proper disposal.

Workers may dispense chemicals from original containers only in small quantities intended for immediate use. Any Chemical left after work is completed must be returned to the original container or Wadsworth Golf Construction Project Safety personnel for proper handling.

No unmarked containers of any size are to be left in the work area unattended.

Wadsworth Golf Construction Company shall rely on manufacturer applied labels whenever possible, and will ensure that these labels are maintained. Containers that are not labeled or on which the manufacture's label has been removed will be relabeled.

Wadsworth Golf Construction Company shall ensure that each container is labeled with the identity of the hazardous chemical contained and any appropriate hazard warnings.

MATERIAL SAFETY DATA SHEETS (MSDS)

Employees working with a hazardous Chemical may request a copy of the material safety data sheet. Requests for MSDS's should be made to the Wadsworth Golf Construction Project Safety personnel, or jobsite supervisor.

MSDS will be available on the site to provide immediate reference to chemical safety information.

An emergency procedure for worker injury and medical response, fire occurrence, chemical spills, or other emergency event has been established to gain access to MSDS information.

EMPLOYEE TRAINING

Employees will be trained to work safely with hazardous chemicals. Employee training will include:

- Methods that may be used to detect a release of a hazardous chemical(s) in the workplace.
- Physical and health hazards associated with chemicals.
- Protective measures to be taken.
- Safe work practices, emergency responses and use of personnel protective equipment.
- Information on the Hazard Communication Standard including:

1. Labeling and warning systems
2. An explanation of Material Safety Data Sheets

PERSONNEL PROTECTIVE EQUIPMENT (PPE)

Required PPE is available from the Wadsworth Golf Construction Project management representative. Any employee found in violation of PPE requirements may be subject to disciplinary actions up to and including discharge.

EMERGENCY RESPONSE

Any incident of over exposure or spill of a hazardous chemical/substance must be reported to Wadsworth Golf Construction Project Safety personnel, or a jobsite supervisor at once. The Black Rock North Golf Course project representative will be notified of such occurrences.

The WGCC project management representative will be responsible for insuring that proper emergency response actions are taken in leak / spill situations.

HAZARDS OF NON-ROUTINE TASKS

Supervisors will inform employees of any special tasks that may arise which would involve possible exposure to hazardous chemicals.

Review of safe work procedures and use of required PPE will be conducted prior to the start of such tasks. Where necessary, areas will be posted to indicate the nature of the hazard involved.

INFORMING OTHER EMPLOYERS

Other on site subcontractor / sub-tier contractors employers are required to adhere to the provisions of the Hazard Communication Standard.

Information on hazardous chemicals known to be present will be exchanged with other employers. Employers will be responsible for providing necessary information to their employees.

Other on site employers will be provided with a copy of Wadsworth Golf Construction Company hazard communication program, upon written request.

POSTING

Wadsworth Golf Construction Company has posted information for employees at this jobsite on the Hazard Communication Standard. This information can be found at the jobsite office trailer.



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TRAINING SESSION ON HAZARD COMMUNICATION

Each employee shall sign a copy of the following:

I know where the Material Safety Data Sheets for my work are kept.

I understand the safe work procedures and precautions to be taken when working with these products including use of protective equipment and/or apparel.

I know where emergency supplies are kept.

I know where the emergency phone numbers and Hazard Communication Information are posted.

I am aware that I may review copies of the hazardous chemical list, the Wadsworth Golf Construction Company jobsite written program, and MSDS's.

Employee Signature _____ Date _____

Job Location or Name _____

7. REPORTING, ACCIDENT INVESTIGATION, AND RECORDKEEPING

7.1 Reporting Accidents

CLAIMS REPORTING

Any injury to a Wadsworth Golf Company employee, other sub-contractor employees, third party and / or property damage must be reported immediately and according the procedures outlined in the Insurance Manual.

The WGCC site supervisor, or the management of the WGCC subcontractor must complete a Supervisor's Report of Accident / Injury Form. The form must be completed in a time frame which assures that a copy of the report be submitted to the Black Rock North Golf Course Project Representative within 24 hours. A report must be made for any incident involving:

1. Any injury to a WGCC worker or any subcontractor / sub-tier contractor employee.
2. Any injury to persons not directly connected with the project (including any alleged injuries reported by a member of the general public).

Submittal shall be made within 24 hours. Pertinent facts, which are not available within the above time, shall be submitted as soon as available in a supplemental report.

A drug and alcohol test must be administered to employee(s) injured and/or any employees in a work crew involved in an accident involving bodily injury and / or property damage.

Notice of **ANY claim or suit** (received by WGCC site management, its subcontractors, or suppliers) related to an accident associated with the building of the **Black Rock North Golf Course Project** **MUST** be reported to the Black Rock North Golf Course Project Management in writing within 24 hours.

TELEPHONE NOTIFICATION

Should a serious accident involving WGCC operations occur resulting in damage to public, or Black Rock North Golf Course property; or bodily injury to the public or other contractors' workers of the Black Rock North Golf Course Project, its Consultants, contractors or their subcontractors, telephone notification shall be made immediately to Black Rock North Golf Course Project Manager: Name: George Litzinger / Phone: 760.744.4578.

7.2 Investigation of Accidents

All accident/incidents shall be investigated by the Wadsworth Golf Construction Company's superintendent / management representative. An accident investigation report must be submitted to the Black Rock North Golf Course Project Manager and Insurance Carrier within twenty-four (24) hours of the occurrence.

The accident investigation should generate appropriate recommendations for corrective actions to prevent recurrence of similar accidents. Depending upon severity of the accident, the WGCC superintendent and/or site safety personnel will, if requested, appear at the Black Rock North Golf Course Project job safety and coordination meeting to:

1. Describe the cause of accident.
2. Report as to what corrective action has been initiated to avoid future accidents.
3. Provide documentation / photo or digital pictures / law enforcement reports as available

ANALYSIS AND CORRECTIVE ACTION

Corrective actions can only be taken when specific factors of an accident/unusual occurrence have been accurately developed and the resulting recommendations have been disseminated to the responsible persons. **In the event of a serious accident**, prompt oral reporting of the preliminary details is mandatory. In preparing written reports of an accident/unusual occurrence statements and comments should be confined to objective finding of facts and determining the root cause.

7.3 Recordkeeping

Wadsworth Golf Construction Company's site safety personnel and all WGCC's subcontractors shall maintain a current OSHA 300 log. The log shall be available for review by any Black Rock North Golf Course team member, and the State of Idaho OSHA representative at any time.

7.4 Return to Work

Every effort must be made to **return employees to work as soon as possible** after an accident and under the direction of the physician. The insurance administrator for the Black Rock North Golf Course will be in contact with the physician to determine the employee's physical demands and limitations. The WGCC site superintendent and subcontractor's assistance will be needed in arranging modified work for the injured worker.

8. SAFETY EDUCATION

Safety Orientation Program

- 8.1 Newly employed, promoted, and/or transferred Wadsworth Golf Construction Company personnel shall receive an orientation regarding the general safety and health rules and regulations as well as the site specific policies and hazards at the Black Rock North Golf Course offices. Hard hat stickers (provided by the Project) will be issued to an employee following his/her orientation, and then documented on training Log Sheet. Only personnel who have passed the initial drug screening and safety orientation shall receive hard hat stickers and / or security badges. Appendix A – English.
- 8.2 Wadsworth Golf Construction Company will conduct an orientation of its employees, Subcontractors, and visitors. Documentation of this orientation will be submitted to Black Rock North Golf Course representative or designee.

Safety orientation of all personnel will include at a minimum the following topics:

- Unique Hazards of the Project
- Employer/Personnel Responsibilities under OSHA Standards – location of required posters
- Personal Protective Equipment including 100% safety glasses and 100% hard hat protection
- Confined Space Entry
- 6-Foot Fall Rule - 100% continuous fall protection (including steel erection and scaffold erection and dismantling)
- Floor and Wall Openings
- Perimeter Guarding
- Housekeeping
- Fire Protection
- Accident Reporting Procedures - First-aid Facilities - Emergency Procedures
- Crane Requirements
- Scaffolding Tagging Requirements
- Hazard Communication/ Right-to-Know, location of MSDS's
- Substance Abuse Policy
- Disciplinary Procedures
- Trenching/Excavation
- Electrical Hazards

8.3 Training:

Such training shall include:

- Recognition and avoidance of unsafe conditions and the regulations applicable to his work environment to control or eliminate any hazards or other exposure to illness or injury.
- Proper methods to handle or use poisons, caustics, and other harmful substances if so required. In job site areas where harmful plants or animals are present, employees who may be exposed shall be instructed regarding the potential hazards, and how to avoid injury, and the first aid procedures to be used in the event of injury.
- Employees required handling or using flammable liquids, gases, or toxic materials shall be instructed in the safe handling and use of these materials and made aware of the specific requirements contained in Subparts D, F, and other applicable subparts of the OSHA standards.
- All employees required to enter into confined or enclosed spaces shall be instructed as to the nature of the hazards involved, the necessary precautions to be taken and in the use of protective and emergency equipment required. The employer shall comply with any specific regulations that apply to work in dangerous or potentially dangerous areas. Confined or enclosed space means any space that is subject to the accumulation of toxic or flammable contaminants or has an oxygen deficient atmosphere.

9. HOUSEKEEPING

Construction Standards 1926.25

- 9.1 During the course of construction, alteration, or repairs, form and scrap lumber with protruding nails, and all other debris, shall be kept cleared from work areas, passageways, and stairs, in and around buildings or other structures.
- Combustible scrap and debris shall be removed at regular intervals during the course of construction. Safe means shall be provided to facilitate such removal.
- 9.2 Containers shall be provided for the collection and separation of waste, trash, oily and used rags and other refuse. Containers used for garbage and other oily, flammable, or hazardous wastes, such as caustics, acids, harmful dusts, etc. shall be equipped with covers. Garbage and other waste shall be disposed of at frequent and regular intervals.

10. PERSONAL PROTECTIVE EQUIPMENT

Refer to Occupational Safety and Health Construction Standards 1926.28 and Subpart E. 1926.100, 1926.101, 1926.102, 1926.103, 1926.104, 1926.105, 1926.106, and 1926.107

- 10.1 In addition special contract conditions may require more stringent use of Personal Protective Equipment than required by OSHA. The Project Superintendent or site safety personnel will review these conditions. Required training will be provided.
- 10.2 Head protection – Hardhats issued by Wadsworth Golf Construction Company are to be worn at all times when outside of vehicles, equipment with cabs, or trailers.
- 10.3 Safety glasses / prescription glasses – All Wadsworth Golf Construction Company personnel must wear eye protection in shop areas. If jobsite conditions or contract provisions require, all Wadsworth Golf Construction Company personnel must wear eye protection when designated.
- 10.4 Face shields are to be worn during operations where the face is in danger of being injured: torch cutting, grinding, power saw operation, breaker / hammer operations.
- 10.5 Welding – Protection against radiant energy shall be provided and worn: proper selection of lens shade in accordance with OSHA filter lens shade numbers for shield and goggle use – OSHA 1926.102, Table E-2.

11. WORK CLOTHING

11.1 General Rules

Personal Clothing & Minimum Working Attire

- A suitable shirt with a minimum of 4" sleeves must cover the upper torso. Tank Tops, Sleeveless Shirts, etc., are forbidden on any project.
- Full trousers must be worn that cover the lower body. No cut off trousers, shorts, etc., are permitted at any time.
- Tennis type shoes, (sneakers) are forbidden on all projects.
- Dress for your particular job ... dressing safely will help you work safely.
- Do not wear oil soaked or too loose clothing.

12. NOISE EXPOSURE

Construction Standards 1926.101

Refer to Occupational Safety and Health 1926.52, 1926.101

- 12.1 Baseline sound levels for equipment used should be identified by manufacturer guidelines, or field testing with a sound level meter or dosimeter.
- 12.2 The Wadsworth Golf Construction Company rule regarding use of personal hearing protective equipment is, that for 85 decibels or greater exposure on a TWA (time weighted average day).... **WEAR IT !**
- 12.3 Radios, MP3, and compact disc players with ear plugs are not a substitute for hearing protection.
 - 12.3.1 For personnel on the ground, the sound level from the ear plugs of the entertainment devices block out vocal communication and the audible warning alarms from equipment moving on the ground.
 - 12.3.2 Equipment operators can not wear radios, MP3, and compact disc players with ear plugs while operating equipment.

13. NON-IONIZING RADIATION (Lasers)

Refer to OSHA Construction Standards 1926.54 that requires "Only qualified and trained employees to be assigned to install adjust, and operate laser equipment."

- 13.1 When using surveying instruments with laser components, training, education and appropriate personnel protection will be provided per the manufacturer's guidelines.

14. WALKING & WORKING SURFACES

14.1 BARRIER IDENTIFICATION TAPE

Barrier identification tape is strictly prohibited from being used for any form of personnel fall protection.

- YELLOW barricade tape shall be used for CAUTION/WARNING
- RED barricade tape shall be used for DANGER DO NOT ENTER

Note: Once the area barricaded is free of the hazard(s) for which it was erected the tape will be removed and properly discarded.

15. TEMPORARY BUILDINGS AND TRAILERS

15.1 Refer to OSHA Standards 1926.151 (b), Temporary Buildings.

- Protecting Office Trailers from High Winds – Tie downs offer the most consistent and effective means for minimizing office trailer damage from high winds. Two types of ties are needed: (1) The Over the Top tie, and (2) the Frame Tie. The first keeps the unit from overturning, and the second prevents it from being blown off the supports.
- Frame ties can also reduce the chance of overturn, but many office trailers do not have enough internal strength to transmit high wind loads to the supporting steel frame. Thus, installation solely of frame ties will secure the frame, but the unit resting on the frame may blow away. Therefore, the Defense Civil Preparedness Agency recommends use of both over the top ties and frame ties to secure 10, 12, and 14 ft wide office trailers. Double units, 24 ft wide are quite stable, and do not require use of over the top ties ... only frame ties.

Ties are made of wire rope or rust resistant steel strap, which tie the mobile home and its steel frame to anchors embedded in the ground. The cable or strap is secured to the anchor with a yoke-type fastener and tensioning device, or with clamps and turnbuckles.

Commercially available ties, consisting of galvanized steel strap-ping (1 1/4 x .035") with a minimum breaking strength of more than 4,750 lbs., or galvanized steel cable (7/32" 7 x 7, or 1/4" 7 x 19), with a breaking strength of more than 4,800 lbs., are acceptable. Anchorage requirements presented in this section assumes that either of these ties will be used.

The over the top tie is secured to an anchor on each side of the office trailer. Frame ties connect the steel beam supporting the unit to the anchors. Several of each type of tie, with connections and anchors, must be used for an effective tie down of the whole unit.

Over the Top ties should be located within 2 feet of each end of the office trailer, and others as needed at intervals between at stud locations. Commercially available adapters or wood blocks should be used to prevent sharp bends in over the top ties, and to keep them from cutting into the unit when tension is applied.

15.2 TIEDOWN ANCHORAGE REQUIREMENTS

10 TO 14 FEET WIDE TIEDOWN ANCHORAGE REQUIREMENTS						
<u>WIND VELOCITY</u>	<u>30 TO 50 FEET</u>		<u>50 TO 60 FEET</u>		<u>60 TO 70 FEET</u>	
	FRAME	TOP	FRAME	TOP	FRAME	TOP
70 MPH	3	2	4	2	4	2
90 MPH	5	4	6	4	7	4
110 MPH	7	6	9	6	10	7

16. CONFINED SPACE ENTRY

Refer to OSHA Construction Standards 1926.21(b) 6, 1926.353 (b), and 1926.352 (g)

16.1 All employees required to enter a confined space must be fully knowledgeable of the hazards involved with confined space entry. Prior to the start of such an entry the Contractor involved in the work will develop a Confined Space Entry Procedure. The Contractor will train all personnel who will enter the confined space. No one may enter a confined space area until properly instructed. Contractors are required to identify all confined spaces on their project with a sign identifying the area as a confined space.

16.2 A Confined Space Entry procedure will be used to:

- Prevent inadvertent operation of equipment and/or work process while people are working in the confined space.
- Eliminate unexpected exposure to hazardous materials, oxygen deficient or inert/toxic gaseous atmosphere while working in confined spaces. Atmosphere testing must be completed.
- Plan for a timely and effective response to an emergency during a confined space entry.

Confined Spaces are considered to be areas with limited entry and exit, or poor natural ventilation that are not intended for human occupancy. Examples of a confined space include: tanks, covered basins, vaults, columns, mixers, manholes, pipelines, sumps, ditches or excavations. All spaces shall be considered permit-required confined spaces until the pre-entry procedures demonstrate otherwise.

Safety considerations include but are not limited to: atmosphere testing for gaseous conditions/lack of oxygen, appropriate personal protective and emergency equipment, additional personnel as needed to assure communications and assist the individual conducting the entry.

A Permit Required Confined Space means confined space that has one or more of the following:

- May or may not potentially contain a hazardous atmosphere;
- Contains a material that has potential for engulfing entrant;
- Has internal configuration that could trap the entrant;
- Contains any other recognized serious health or safety hazard;

A Non-Permit Required Confined Space is a confined space that does not contain or with respect to atmospheric hazards, the potential of causing death or serious physical harm.

17. HAND AND POWER TOOLS

Refer to OSHA Construction Standards 1926.951

17.1 General

Only Wadsworth Golf Construction Company workers shall use Wadsworth Golf Construction Company owned or rented tools. All workers using a tool must be able to demonstrate competency to a WGCC field management or safety personnel.

All hand and power tools shall be checked at least daily to ensure that they are in good and safe operating condition. Any tool found not to be in safe operating condition shall be removed from service until it is repaired or otherwise made safe. If a tool can not be repaired properly, it is to be discarded immediately.

Tools shall be used only for their intended manufactured use.

Protect tools against corrosion damage. Wipe off excess grease and dirt. Tools shall be periodically cleaned with a non-flammable, non-irritating solvent and wiped clean

Sharpen tools properly to improve accuracy and safety.

Wear proper eye, hand, face, and hearing protection. See PPE – Section 13.

When not in use, stores tools in proper boxes or containers, or hang them on racks in shop or in vehicles. Place heavy tools in storage where they will not cause a hazard.

Manufacturer's safety equipment and guards shall remain in place and be used at all times.

17.2 Using Hand Tools Safely

Select the proper tool for the job. Consider size, weight, and type of exposure. Use extreme caution near electrical circuits. Use insulated and non-conducting tools that are routinely inspected.

All handles should be tightly fitted and free from splitting, cracking, splinters or other sharp edges. Do NOT tape handles for better grip. Wear appropriate gloves.

Use non-sparking tools in the presence of flammable materials or explosive dusts or vapors.

17.3 Wrenches

Do not extend the wrench handle with a pipe or cheater bar. Get a bigger wrench.

Never use a wrench as a hammer.

Always place wrenches on the nut with the jaw opening facing the direction the handle will move. PULL; do not push a wrench.

17.4 Chisels

The chisel shall be large enough for the job, and driven with a hammer of sufficient weight. Use a chisel made of material adequate for the material being cut.

Hold chisel with a steady but relaxed grip. Keep your eye and your attention focused on the cutting edge of the chisel.

When holding a chisel for another person, use tongs or other holding tool.

Always direct chips away from yourself or others.

Repair or replace mushroomed chisels and cracked or broken handles.

17.5 Screwdrivers

Do not use a screwdriver as a chisel, pry-bar or for anything other than its intended purpose.

Keep the tip of the screwdriver properly ground and squared across.

Make sure the handle fits the shank tightly and securely. Never drive a screw with a hammer.

17.6 Saws

Use saws of the proper size and shape for the task and the material to be cut. Assure that the blade has the proper size and type of teeth for the size of cut and the material. Periodically inspect and sharpen blades as needed.

Check material to be cut for nails, knots, and other foreign objects which may cause the saw to be damaged, create debris that could cause injury, or seize the tool blade.

Use power saws with a fixed guard over the upper half of the blade and a moveable guard on the lower (working) portion of the blade. Blocking the lower guard in an open position or removal of either blade is expressly forbidden.

Secure small pieces to be cut.

Use safety glasses and other protection as required: eye, hand, and hearing exposures.

Saw only from a stable foot and hand position while holding a powered hand saw.

17.7 Gasoline Engine Driven Tools

Gas powered tools shall not be used in unventilated areas.

When refueling, turn engine off. Store gas in a proper container designed for this purpose. Gas should be stored in a safe location. Tools should be placed on flat surface while refueling, with nozzle of tank in contact with tool tank surface to eliminate static charge exposure.

17.8 Portable Grinders

Make sure that portable grinders are equipped with hood guards that function.

Inspect grinding wheels regularly, and replace cracked wheels immediately. Use grinding wheels that are intended for the material to be ground. In addition, they shall be rated for the RPM of the grinder to be used.

17.9 Pneumatic Tools

Generally, the same safety precautions that apply to electric or gasoline powered tools apply to pneumatic tools as well.

Air hose links shall be connected with a Chicago coupler and have whip checks installed at all connectors. Hoses should regularly be inspected for leaks or other defects which may cause a safety hazard. Hoses should never be used to lower or raise material or equipment.

18. ELECTRICAL SAFETY

Refer to OSHA Construction Standards 1926.400

All electrical installations, either temporary or permanent, shall be in conformance with the National Electrical Safety Code, NFPA-70, ANSI-C1, and low and high voltage electrical safety code requirements. Only qualified employees will install electrical tools and equipment. Defective and/or improperly installed equipment may pose a hazard to personnel simply by being in the work area. If an unsafe condition is observed the hazard must be corrected immediately.

18.1 HAZARDOUS LOCATIONS

Where irrigation systems or other contract plans involve cutting a trench or excavation in an area that may contain underground electrical lines, procedures will be undertaken to positively locate the lines prior to the continuation of work. Those circuits which cannot be adequately guarded will be de-energized and grounded before digging is allowed to continue. Only hand digging will be permitted within (5) five feet of a buried electrical cable.

18.2 DISCONNECT AND OVER-CURRENT PROTECTION

All electrical disconnect and over current protective devices will be identified as to their purpose. Disconnect and over current devices will be located in a position that will not expose the devices to physical damage. The temporary disconnect power panels must have solid faces to ensure that all current-carrying parts are not exposed to accidental contact. WGCC site safety personnel shall inspect temporary power panels at least weekly to ensure that circuits are properly identified, grounded, and safety equipment like ground fault-circuit interrupters (GFCI) are operating correctly.

18.3 GROUND-FAULT CIRCUIT INTERRUPTERS (GFCI)

- WGCC follows GFCI safety procedures for the use of temporary electrical power.
- All equipment (electric saws, drills, extension cords, etc.) capable of being plugged into a 110-volt receptacle shall have a GFCI device provided prior to the tool and/or extension cord/tool.
- WGCC site safety personnel will test all GFCI's.

18.4 EQUIPMENT AND MAINTENANCE

- No WGCC employee shall perform work on live (energized) electrical components or conductors unless absolutely impossible. Circuits should be de-energized, locked and tagged, and tested to confirm de-energizing.
- Where it is not possible to de-energize electrical components or conductors, the WGCC employee shall be protected by approved guarding and/or insulation. A JSA is required.
- Extension cords shall be 12 AWG or better, grounded, and maintained in good condition. Repair to a break in the cord insulation is not allowed.

18.5 INSTALLATION

Equipment grounding conductors shall be installed as described below:

- All 120-volt, single-phase, 15- and 20-ampere receptacles shall be of the grounding type, and their contacts shall be grounded by connection to the equipment grounding conductor of the circuit supplying the receptacles in accordance with the applicable requirements of the National Electrical Code (NEC).
- All 120-volt cord sets (extension cords) shall have an equipment grounding conductor which shall be connected to the grounding contacts of the connector(s) on each end of the cord.
- The exposed non-current-carrying metal parts of 120-volt cord-and plug-connected tools and equipment that are likely to become energized shall be grounded in accordance with the applicable requirements of the NEC.

19. LADDERS

Refer to OSHA Construction Standards 1926.1050, .1060, .1053 for details for use, inspection, training, and maintenance.

19.1 General guidance

- Do not use metal ladders.
- Fully open all stepladders, spreader brackets secure, placed upon hard level surfaces: not on boxes, planking, or scaffolding.
- Face ladder while climbing, while using "three" point contact.
- Do NOT climb with tools or material: climb hands free. Raise tools and material to work level with other means: rope / basket, tool belt, JLG, assistance.

- Store properly in area protected from damage: collision, weather, chemicals, etc.
- Extend straight ladders to level three feet above floor being accessed, with safety feet placed upon level ground. Do NOT use upper portion of extension ladder as single stage straight ladder: no safety feet. Tie off top of straight ladder before initiating work activity.
- Inspect ladder often for damage to rungs, side rails, support brackets
- Fixed permanent ladders on structures and mobile equipment follow all of above guidelines.

19.2 Proper selection

1. Select ladder of proper length or height to reach working level
2. Ladders are designed to support one person plus materials and tools not more than the working load on the "notice" sign on the ladder.
3. Select ladders using the following:

<u>Type Duty</u>	<u>Rating</u>	<u>Working Load</u>
IA	Industrial - Extra Heavy	300 pounds
I	Industrial - Heavy	250 pounds
II	Commercial - Medium	225 pounds
III	Household - Light	200 pounds

20. HEAVY EQUIPMENT

20.1 General

Only qualified operators shall be allowed to operate construction equipment. Only Wadsworth Golf Construction Company employees shall be allowed to operate WGCC owned, rented, or leased equipment. All equipment shall be inspected daily and maintained in good and safe operating condition. Any equipment that is not in safe operating condition shall be removed from service until it is repaired or otherwise made safe.

Equipment shall be used for its intended purpose only. All bi-directional equipment shall have an audible warning device that automatically activates when placed in reverse gear. All equipment stored on the job site shall be placed at a distance from other traffic and lighted in such a way as to reduce the probability of collision. Whenever equipment is parked, the parking brake shall be set. Equipment parked on inclines shall have wheels chocked and the parking brake set.

Operators do NOT need to wear hard hats while on their equipment, unless the equipment does NOT have a Roll Over cage and sheet metal roof. Hard hats are to be worn by ALL operators as soon as they exit / dismount their equipment.

20.2 Earthmoving Equipment and Trucks

- All earthmoving equipment shall be maintained in safe working condition and shall be appropriate and adequate for the intended use.
- Only authorized personnel shall operate equipment. Operators of equipment, machinery or vehicles shall be qualified and properly authorized for the operation involved.
- Equipment maintenance is to be performed only by qualified mechanics.
- Equipment operators and truck drivers will make a documented pre-shift safety inspection of their equipment. Any conditions that effect safe operation will be corrected before use.
- Equipment shall not be operated unless all required safety devices are in place and functioning properly.
- Careless, reckless or otherwise unsafe operation or use of equipment shall result in discipline and may constitute grounds for dismissal.
- Before performing any service or repair work, all equipment shall be stopped and positively secured against movement or operation, locked and tagged out of service, unless it is designed to be serviced while running, following the manufacturer's instructions.
- When equipment is serviced or repaired, the operator shall dismount until the service or repairs is completed and then make a complete walk-around safety check before remounting.
- All bi-directional earthmoving equipment and motor vehicles with an obstructed view to the rear shall be equipped with a warning horn and an automatic back-up alarm that can be heard above and distinguished from the surrounding noise level.
- All off-highway earthmoving equipment and trucks such as loaders, dozers, scrapers, motor graders, rock trucks, tractors, rollers and compactors shall be equipped with roll-over protective structures (ROPS) and seat belts.
- Seat belts shall be used and adjusted properly by operators of all heavy equipment.
- Mobile equipment shall not be left unattended unless parked securely to prevent movement, with all ground engaging tools lowered to the ground, brakes set and the engine off.
- Equipment parked at night shall be lighted, barricaded or otherwise clearly marked when exposed to traffic. Keys shall not be left in equipment overnight.
- Personnel shall not be transported or ride on equipment or vehicles that are not equipped with seats for passengers.

- When fueling equipment or vehicles with gasoline or liquefied petroleum gas (LPG) the engine shall be shut down.
- All equipment and vehicles shall be equipped with appropriate fire extinguisher or fire suppression system.
- Haul roads shall be designed, constructed and maintained for safe operation consistent with the type of haulage equipment in use. Standard traffic control signs shall be used where necessary.
- Elevated roadways shall have axle high berms or guards maintained on their outer banks.
- Equipment, tools, and materials hauled on pickups and flat bed trucks must be secured to prevent them from falling onto the road.
- Operators shall make sure that the area around the equipment is clear before starting the equipment and while it is in operation.
- Workers shall NOT jump on or off equipment. Equipment that is not specifically designed for riders shall not be used in such a capacity.
- Equipment shall be turned off before refueling, servicing or repairing.
- Equipment, or parts thereof, which are suspended or held aloft for the purpose of servicing or repair shall be substantially blocked or cribbed.
- The operator shall never leave the machine on an inclined surface of loose material with the motor idling.
- Before digging always check with local authorities and utilities to locate underground service feeds, pipelines, or obstructions.
- Keys shall not be left in unattended vehicles.

For further reference and standards see OSHA 1926.600

20.3 Off Road Hauling Trucks

No person shall be allowed to remain on or in a truck that is being loaded by excavating equipment or cranes.

Material loaded shall not extend beyond the truck body if it presents a hazard.

Never carry loads in excess of the rated capacity of the vehicle. Vehicle capacity shall be permanently affixed and prominently displayed on the vehicle.

Trucks shall not be used for transporting personnel unless specifically manufactured for such use. All trucks used for the transportation of workers shall be provided with side and end protection and safe seating including seat belts for each passenger. A convenient and safe manner of mounting and dismounting the truck or bus shall be provided and used.

Workers are expressly prohibited from getting on or off of moving vehicles.

21. EMPLOYEE GROUND TRANSPORTATION

The purpose of this section is to establish acceptable guidelines for the safe transportation of all personnel traveling within the Black Rock North Golf Course Project confines to eliminate personal accidents and injuries resulting from improper equipment use.

21.1 Mobile cranes, forklifts, winch trucks, front-end loaders, tractors and other materials handling equipment are not permitted to transport passengers.

21.2 Trucks

- A maximum of three passengers are permitted to ride inside of the truck cab unless the cab is specifically designed to accommodate additional passengers.
- Passengers shall ride with all portions of their bodies inside the truck body or frame.
- Passengers shall be in the seated position, with the seat belts secured and adjusted properly, before the vehicle is set in motion.
- Riding on a vehicle's bumper or tailgate is prohibited.
- Tailgates will be closed and latched before the vehicle is operated.
- Passengers are not permitted to ride in the body of a dump truck
- Passengers are not permitted to ride on top of the load or to hold materials from shifting.
- Vehicles must be designed to accommodate passenger transportation or the vehicle will not be used for that purpose.

21.3 Pickup trucks:

The **bed** of a pickup truck can be used to transport workers with the Wadsworth Golf Construction project site **ONLY** under the following specific conditions:

- **Drivers transporting passengers will follow the posted speed limit and Project traffic rules.**
- While transporting workers to and from the site trailer / personal vehicle parking area to / from the work area

- With the employees sitting on the **BED** of the pickup with the rear tailgate of the vehicle closed: no tailgate riding permitted !!
- No sitting on the wall of the side of the vehicle bed permitted.
- Only a few workers, with all in bed sitting on floor
- Only within the Project site, and NEVER off site on public roads

22. EXCAVATIONS/TRENCHES

Refer to OSHA Construction Standards 1926.650, .651, .652

SUBPART P - EXCAVATIONS

Scope and application. This subpart applies to all open excavations made in the earth's surface. Excavations are defined to include trenches.

Refer to Subpart P 1925.650,(b) for further Definitions applicable to Subpart P

1926.651 GENERAL REQUIREMENTS.

- (a) Subsurface encumbrances. All surface encumbrances that are located so as to create a hazard to employees shall be removed or supported as necessary, to safeguard employees.
- (b) Underground installations.
 - (1) The estimated location of utility installations, such as sewer, telephone, fuel, electric, water lines, or any other underground installations that reasonably may be expected to be encountered during excavation work, shall be determined prior to opening and excavation.
 - (2) Utility companies or owners shall be contacted within established or customary local response times, advised of the proposed work, and asked to establish the location of the utility underground installations prior to the start of actual excavation. When utility companies or owners cannot respond to a request to locate underground utility installations within 24 hours (unless a longer period is required by state or local law), or cannot establish the exact location of these installations, the employer may proceed, provided the employer does so with caution. Workers must be provided with detection equipment or other acceptable means to locate utility installations.
 - (3) When excavation operations approach the estimated location of underground installations, the exact location of the installations shall be determined by safe and acceptable means.
 - (4) While the excavation is open, underground installations shall be protected, supported or removed as necessary to safeguard employees.

- (c) Access and egress -
 - (1) Structural ramps.
 - (i) A **COMPETENT PERSON** shall design structural ramps that are used solely by employees as a means of access or egress from excavations. Structural ramps used for access or egress of equipment shall be designed by a **COMPETENT PERSON QUALIFIED IN STRUCTURAL DESIGN**, and shall be constructed in accordance with the design.
 - (ii) Ramps and runways constructed of two or more structural members shall have the structural members connected together to prevent displacement.
 - (iii) Structural members used for ramps and runways shall be of uniform thickness.
 - (iv) Cleats or other appropriate means used to connect runway structural members shall be attached to the bottom of the runway or shall be attached in a manner to prevent tripping.
 - (v) Structural ramps used in lieu of steps shall be provided with cleats or other surface treatments on the top surface to prevent slipping.
 - (2) Means of egress from trench excavations. A stairway, ladder, ramp or other safe means of egress shall be located in trench excavations that are **4 feet (1.22m) or more in depth** so as to require no more than **25 feet of lateral travel for employees**.
- (d) Exposure to vehicular traffic. Employees exposed to public vehicular traffic shall be provided with and shall wear, warning vests or other suitable garments marked with or made of reflective or high-visibility material.
- (e) Exposure to falling loads. No employee shall be permitted underneath loads handled by lifting or digging equipment. Employees shall be required to stand away from any vehicle being loaded or unloaded to avoid being struck by any spillage or falling materials. Operators may remain in the cabs of vehicles being loaded or unloaded when the vehicles are equipped in accordance with #1926.601(b)(6), to provide adequate protection for the operator during loading and unloading operations.
- (f) **Warning system for mobile equipment.** When mobile equipment is operated adjacent to an excavation, or when such equipment is required to approach the edge of an excavation, a warning system shall be utilized. Barricades, hand or mechanical signals, or stop logs should be used if the operator does not have a clear and direct view of the edge of the excavation. If possible, the grade should be down and away from the excavation.

(g) Hazardous atmospheres -

(1) Testing & Controls. In addition to the requirements set forth in subparts D and E of this part (29 CFR 1926.50-1926.107) to prevent exposure to harmful levels of atmospheric contaminants and to assure acceptable atmospheric conditions, the following requirements shall apply;

- (i) **Where oxygen deficiency** (atmospheres containing less than 19.5 percent oxygen) **or a hazardous atmosphere exists or could reasonably be expected to exist**, such as in excavations in landfill areas or excavations in areas where hazardous substances are stored nearby, **the atmospheres in the excavation shall be tested before employees enter excavations greater than 4 feet.**
- (ii) Adequate precautions shall be taken to prevent employee exposure to atmospheres containing less than 19.5 percent oxygen and other hazardous atmospheres. These precautions include providing proper respiratory protection or ventilation in accordance with subparts D and E of this part respectively.
- (iii) Adequate precaution shall be taken such as providing ventilation to prevent employee exposure to an atmosphere containing a concentration of a flammable gas in excess of 20 percent of the lower flammable limit of the gas.
- (iv) When controls are used that are intended to reduce the level of atmospheric contaminants to acceptable levels, testing shall be conducted as often as necessary to ensure that the atmosphere remains safe.

(2) Emergency rescue equipment.

- (i) Emergency rescue equipment, such as breathing apparatus, a safety harness and line, or a basket stretcher, shall be readily available where hazardous atmospheric conditions exist or may reasonably be expected to develop during work in an excavation. This equipment shall be attended when in use.
- (ii) Employees entering bell-bottom pier holes, or other similar deep and confined footing excavations, shall wear a harness with a lifeline securely attached to it. The lifeline shall be separate from any line used to handle materials, and shall be individually attended at all times while the employee wearing the lifeline is in the excavation.

(h) Protection from hazards associated with water accumulation.

- (1) Employees shall not work in excavations in which there is accumulated water, or in excavations in which water is accumulating, unless adequate precautions have been taken to protect employees against the hazards posed by water accumulation. The precautions necessary to protect employees adequately vary

with each situation, but could include special support or shield systems to protect from cave-ins, water removal to control the level of accumulating water, or use of a safety harness and lifeline.

- (2) If water is controlled or prevented from accumulating by the use of water removal equipment, the water removal equipment and operations shall be monitored by a competent person to ensure proper operation.
- (3) If excavation work interrupts the natural drainage of surface water (such as streams), diversion ditches, dikes, or other suitable means shall be used to prevent surface water from entering the excavation and to provide adequate drainage of the area adjacent to the excavation. Excavations subject to runoff from heavy rains will require an inspection by a competent person and compliance with paragraphs (h)(1) and (h)(2) of this section.

(i) Stability of adjacent structures.

- (1) Where the stability of adjoining buildings, walls, or other structures is endangered by excavation operations, support systems such as shoring, bracing, or underpinning shall be provided to ensure the stability of such structures for the protection of employees.
- (2) Excavation below the level of the base or footing of any foundation or retaining wall that could be reasonably expected to pose a hazard to employees shall not be permitted except when:

- (i) A support system, such as underpinning, is provided to ensure the safety of employees and the stability of the structure; or
- (ii) The excavation is in stable rock; or
- (iii) A registered professional engineer has approved the determination that the structure is sufficiently removed from the excavation so as to be unaffected by the excavation activity; or
- (iv) A registered professional engineer has approved the determination that such excavation work will not pose a hazard to employees.

- (3) Sidewalks, pavements, and appurtenant structure shall not be undermined unless a support system or another method of protection is provided to protect employees from the possible collapse of such structures.

(j) Protection of employees from loose rock or soil.

- (1) Adequate protection shall be provided to protect employees from loose rock or soil that could pose a hazard by falling or rolling from an excavation face. Such protection shall consist of scaling to remove loose material, installation of protective barricades at intervals as necessary on the face to stop and contain falling material; or other means that provide equivalent protection.

Appendix A - Orientation Safety Knowledge Check

Name: _____

Company: _____

- | | |
|--|-------|
| 1. Employees must obey all safety rules. | True |
| | False |
| 2. Backup alarms must be on all heavy equipment. | True |
| | False |
| 3. Scaffolding must be checked on a daily basis. | True |
| | False |
| 4. It is safe to use a scaffold that is not tagged. | True |
| | False |
| 5. Employees should only use fall protection when they think they might fall. | True |
| | False |
| 6. It is OK to remove a guard from a powered hand tool under special circumstances. | True |
| | False |
| 7. It is OK to remove a guardrail and not replace it when finished. | True |
| | False |
| 8. Open holes must be covered or guarded. | True |
| | False |
| 9. Anyone can operate an aerial lift. | True |
| | False |
| 10. You should read an MSDS before working with a chemical. | True |
| | False |
| 11. Spills and leaks should always be reported. | True |
| | False |
| 12. All confined space areas must be tested before entry. | True |
| | False |
| 13. Employees should check all equipment for damage prior to use. | True |
| | False |
| 14. Horseplay, theft, alcohol, fighting, and drugs are not allowed. | True |
| | False |
| 15. Employees should inform their supervisor of any prescription medication they are taking that could impair their abilities. | True |
| | False |
| 16. Hard hats and safety glasses are to be worn at all times. | True |
| | False |
| 17. Employees are responsible for the housekeeping in their area. | True |
| | False |

- | | |
|--|---------------|
| 18. Ladders with broken rails and/or rungs can be used safely if you are tied off. | True
False |
| 19. Electric cords, welding leads, and gas hoses must be safely routed out of equipment, vehicle and walk areas or protected. | True
False |
| 20. Accidents must be reported immediately. | True
False |
| 21. Face shields are required in addition to safety glasses when grinding, chipping or using a chop-saw. | True
False |
| 22. Excavations greater than five-feet deep do not need to be shored or sloped. | True
False |
| 23. Seatbelts must be worn at all times in vehicles or heavy equipment. | True
False |
| 24. High visibility vests do not need to worn when working around Vehicles or Heavy Equipment | True
False |
| 25. All employees must complete the Substance Abuse requirements and Safety Orientation program before receiving security badge. | True
False |

Appendix D - Report Matrix

Contractors are to submit and / or have available on site:

REPORT NAME		Immediately	24 Hr.	Weekly ¹	Monthly ²	Per Occurrence	Per Request
Annual Crane Inspection	x						x
Chemical Inventory					x		x
Contractor Weekly Inspection				x			x
Critical Lift Checklist						x	x
First Report of Injury		x				x	
Incident Investigation		x				x	
MSDS's					x		x
OSHA 300 Log					x		x
OSHA Citations		x				x	
Safety Observation				x			
Safety Plan of Action or JSA ³				x		x	x
Safety Statistics					x		x
Safety Training					x		x
Substance Abuse Policy compliance notarized letter					x		x
Toolbox Safety Meetings				x			x
Daily equipment / Vehicle Inspections							x

Daily -- Daily inspections are required on all equipment / vehicles.

¹ Weekly -- Weekly reports are due the following Tuesday morning

² Monthly -- Monthly reports are due by the 6th of the following month.

³ Safety Action Plan or JSA -- As required by contract or specification

EXHIBIT "D"
SUBSTANCE ABUSE PROGRAM REQUIREMENTS

09-18-06

Owner: BRN Development, Inc.
Owner Address: P.O. Box 3070
Coeur d' Alene, ID 83816

Attn: Kyle Capps

RE: 065040_C0002
(Black Rock North Golf Course Construction)

Wadsworth Golf Course Construction Company has developed and will maintain a Substance Abuse Program (SAP) to assure that all subcontractor employees are free from drug and alcohol impairments. Our SAP meets or exceeds the requirements of Owner's Substance Abuse Program and allows testing for reasonable suspicion and post-accident involvement situations.

We currently plan to place the following employees on this project and we certify that they have been tested in accordance with our SAP.

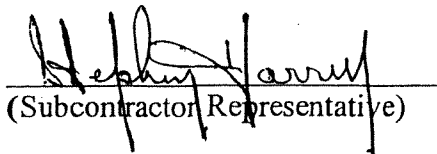
Lance Phillips

To be determined.

If additional employees are placed on the project, we will test them in accordance with our SAP policy.

We understand that Owner may elect to check our SAP compliance by reviewing program requirements and auditing employee test records. We will cooperate fully with this compliance check process.

Sincerely,


(Subcontractor Representative)

12/4/06
(Date)



WADSWORTH GOLF CONSTRUCTION COMPANY

POLICY NO. 9
SUBSTANCE ABUSE POLICY

POLICY STATEMENT. The Company wishes to recognize the value of establishing a workforce and workplace free of substance abuse. Therefore it is in the Company's best interest to adopt and implement a Substance Abuse Policy.

OBJECTIVE. To provide a program that will identify the abusers before the workplace is made unsafe and assist the employee in overcoming the need to abuse substances which can potentially endanger the employee's health and, by impairing their own ability to perform their duties, endanger the health of their co-workers.

SCOPE. All employees, jobsites, facilities and locations of the Company's operations shall be governed by this policy. With respect to the employees, this policy shall be construed to include all time spent at or away from the workplace in the performance of their employment duties.

IMPLEMENTATION. The management of the Company shall dedicate itself to providing the necessary active leadership and support of this policy in order to develop, train and maintain a substance abuse program. In particular, a program shall be implemented which provides for a safe and efficient work environment by prohibiting the following activities:

- 1) Use, possession, manufacture, distribution, dispensation or sale of illegal drugs or alcoholic beverages on company premises or company business, in company supplied vehicles, or during working hours.
- 2) Use or possession, or any manufacture, distribution, dispensation or sale of a controlled substance or alcoholic beverages on company premises or while on company business or while in company supplied vehicles.
- 3) Storing in an automobile or other repository on company premises any controlled substance, the use of which is unauthorized.
- 4) Being under the influence of a controlled substance or alcoholic beverage on company premises or while on company business, or while in company supplied vehicles.
- 5) Any possession, use, manufacture, distribution, dispensation or sale of illegal drugs off company premises that adversely affects an employee's work performance, the safety of other employees, or the company's regard or reputation in the community.

Certificate of
DOT Drug and Alcohol Program Enrollment

Wadsworth Golf Construction Co.

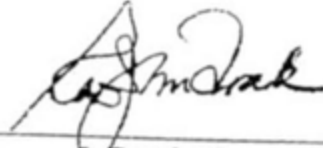
The Employer listed above has enrolled in a *Drug and Alcohol Testing Program* with Foley Services, Inc. that meets the requirements of DOT Regulation 49 CFR Parts 382 & 40.

600 No. 195th Ave.
Buckeye, AZ 85326

Program Start Date: 10/1/02

Program is current through: 10/1/07

Client Code: WAG2



Roxanne J. Swidrak
Vice President Operations

Foley Services, Inc. • 655 Winding Brook Drive, Glastonbury, CT 06033 • (800) 253-5506 • www.FoleyServices.com

Your Single Source for DOT Compliance

2056

- (2) Employees shall be protected from excavated or other materials or equipment that could pose a hazard by falling or rolling into excavations. Protection shall be provided by placing and keeping such materials or equipment at least 2 feet (.61 m) from the edge of excavations, by the use of retaining devices that are sufficient to prevent materials or equipment from falling or rolling into excavations, or by a combination of both if necessary.
- (k) Inspections.
 - (1) Daily inspections of excavations, the adjacent areas, and protective systems shall be made by a competent person for evidence of a situation that could result in possible cave-ins, indications of failure of protective systems, hazardous atmospheres, or other hazardous conditions. An inspection shall be conducted by the competent person prior to the start of work and as needed throughout the shift. Inspections shall also be made after every rainstorm or other hazard-increasing occurrence. These inspections are only required when employee exposure can be reasonably anticipated.
 - (2) Where the competent person finds evidence of a situation that could result in a possible cave-in, indications of failure of protective systems, hazardous atmospheres, or other hazardous conditions, exposed employees shall be removed from the hazardous area until the necessary precautions have been taken to ensure their safety.
- (l) Fall protection.
 - (1) Where employees or equipment are required or permitted to cross over excavations, walkways or bridges with standard guardrails shall be provided.
 - (2) Adequate barrier physical protection shall be provided at all remotely located excavations. All wells, pits, shafts, etc., shall be barricaded or covered. Upon completion of exploration and similar operations, temporary wells, pits, shafts, etc., shall be backfilled.

1926.652 Requirements for protective systems.

A. Protection of employees in excavations.

- (1) Each employee in an excavation shall be protected from cave-ins by an adequate protective system designed in accordance with paragraph (b) or (c) of this section except when:
 - (i) Excavations are made entirely in stable rock; or
 - (ii) Excavations are less than 5 feet (1.52 M) in depth and examination of the ground by a competent person provided no indication of a potential cave-in.

- (2) Protective systems shall have the capacity to resist without failure all loads that are intended or could reasonably be expected to be applied or transmitted to the system.
- B. Design of sloping and benching systems. The slopes and configurations of sloping and benching systems shall be selected and constructed by the employer or his designee and shall be in accordance with the requirements of paragraph (b)(1); or, in the alternative, paragraph (b)(2); or, in the alternative, paragraph (b)(3), or, in the alternative paragraph (b)(4), as follows:
- (1) Option (1)-Allowable configurations and slopes.
- (I) Excavations shall be sloped at an angle not steeper than one and one-half horizontal to one vertical (34 degrees measured from the horizontal) unless the employer uses one of the other options listed below.
- (ii) Slopes specified in paragraph (b)(1)(i) of this section shall be excavated to form configurations that are in accordance with the slopes shown for Type C soil.
- (2) Option (2)-Determination of slopes and configurations using Appendices A and B. Maximum allowable slopes, and allowable configurations for sloping and benching systems, shall be determined in accordance with the conditions and requirements set forth in appendices A and B to this subpart.
- (3) Option (3)-Designs using other tabulated data.
- (i) Designs of sloping or benching systems shall be selected from and be in accordance with tabulated data, such as tables and charts.
- (ii) The tabulated data shall be in written form and shall include all of the following:
- (A) Identification of the parameters that affect the selection of a sloping or benching system drawn from such data.
- (B) Identification of the limits of use of the data, to include the magnitude and configuration of slopes determined to be safe.
- (C) Explanatory information as may be necessary to aid the user in making a correct selection of a protective system from the data.
- (iii) At least one copy of the tabulated data, which identifies the registered professional engineer who approved the data, shall be maintained at the jobsite during construction of the protective system.

After that time the data may be stored off the jobsite, but a copy of the data shall be made available to the Secretary upon request.

(4) Option (4)-Design by a registered professional engineer.

- (i) A registered professional engineer shall approve sloping and benching systems not utilizing Option (1) or Option (2) or Option (3) under paragraph (b) of this section.
- (ii) Designs shall be in written form and shall include at least the following:
 - (A) The magnitude of the slopes that were determined to be safe for the particular project.
 - (B) The configurations that were determined to be safe for the particular project; and
 - (C) The identity of the registered professional engineer approving the design.
- (ii) At least one copy of the design shall be maintained at the jobsite while the slope is being constructed. After that time the design need not be at the jobsite, but a copy shall be made available to the Secretary upon request.

C. Design of support systems, shield systems, and other protective systems. Designs of support systems shield systems, and other protective systems shall be selected and constructed by the employer or his designee and shall be in accordance with the requirements of paragraph (c)(1); or, in the alternative, paragraph (c)(2); or, in the alternative, paragraph (c)(3); or, in the alternative, paragraph (c)(4) as follows:

- (1) Option (1)-Designs using appendices A, C and D. Designs for timber shoring in trenches shall be determined in accordance with the conditions and requirements set forth in appendices A and C to this subpart. Designs for aluminum hydraulic shoring shall be in accordance with paragraph (c)(2) of this section, but if manufacturer's tabulated data cannot be utilized, designs shall be in accordance with Appendix D.
- (2) Option (2)-Designs Using Manufacturer's Tabulated Data.
 - (i) Design of support systems, shield systems or other protective systems that are drawn from manufacturer's tabulated data shall be in accordance with all specifications, recommendations, and limitations issued or made by the manufacturer.
 - (ii) Deviation from the specifications, recommendations, and limitations issued or made by the manufacturer shall only be allowed after the manufacturer issues specific written approval.
 - (iii) Manufacturer's specifications, recommendations, and limitations, and manufacturer's approval to deviate from the specifications, recommendations and limitations shall be in written form at the jobsite during construction of the protective system. After that time

this data may be stored off the jobsite, but a copy shall be made available to the Secretary upon request.

(3) Option (3): Design using other tabulated data.

- (i) Designs of support systems, or other protective systems shall be selected from and be in accordance with tabulated data, such as tables and charts.
- (ii) The tabulated data shall be in written form and include all of the following:
 - (A) Identification of the parameters that affect the selection of a protective system drawn from such data;
 - (B) Identification of the limits of use of the data;
 - (C) Explanatory information as may be necessary to aid the user in making a correct selection of a protective system from the data.
- (iii) At least one copy of the tabulated data, which identifies the registered professional engineer who approved the data, shall be maintained at the jobsite during construction of the protective system. After that time the data may be stored off the jobsite, but a copy of the data shall be made available to the Secretary upon request.

(4) Option (4): Design by a registered professional engineer.

- (i) A registered professional engineer shall approve support systems, shield systems, and other protective systems not utilizing Option 1, Option 2 or Option 3, above.
- (ii) Designs shall be in written form and shall include the following:
 - (A) A plan indicating the sizes, types, and configurations of the materials to be used in the protective system; and
 - (B) The identity of the registered professional engineer approving the design.
- (iii) At least one copy of the design shall be maintained at the jobsite during construction of the protective system. After that time, the design may be stored off the jobsite, but a copy of the design shall be made available to the Secretary upon request.

D. Materials and equipment.

- (1) Materials and equipment used for protective systems shall be free from damage or defects that might impair their proper function.

- (2) Manufactured materials and equipment used for protective systems shall be used and maintained in a manner that is consistent with the recommendations of the manufacturer, and in a manner that will prevent employee exposure to hazards.
- (3) When material or equipment that is used for protective systems is damaged, a competent person shall examine the material or equipment and evaluate its suitability for continued use. If the competent person cannot assure the material or equipment is able to support the intended loads or is otherwise suitable for safe use, then such material or equipment shall be removed from service, and shall be evaluated and approved by a registered professional engineer before being returned to service.

E. Installation and removal of support-

(1) General.

- (i) Member of support systems shall be securely connected together to prevent sliding, falling, kickouts, or other predictable failure.
- (ii) Support systems shall be installed and removed in a manner that protects employees from cave-ins, structural collapses, or from being struck by members of the support system.
- (iii) Individual members of support systems shall not be subjected to loads exceeding those that the members were designed to withstand.
- (iv) Before temporary removal of individual members begins, additional precautions shall be taken to ensure the safety of employees, such as installing other structural members to carry the loads imposed on the support system.
- (v) Removal shall begin at, and progress from, the bottom of the excavation. Members shall be released slowly so as to note any indication of possible failure of the remaining members of the structure or possible cave-in of the sides of the excavation.
- (vi) Backfilling shall progress together with the removal of support systems from excavations.

(2) Additional requirements for support systems for trench excavations.

- (i) Excavation of material to a level no greater than 2 feet (.6 m) below the bottom of the members of a support system shall be permitted, but only if the system is designed to resist the forces calculated for the full depth of the trench, and there are no indications while the trench is open of a possible loss of soil from behind or below the bottom of the support system.
- (ii) Installation of support system shall be closely coordinated with the excavation of trenches.

F. Sloping and benching systems. Employees shall not be permitted to work on the faces of sloped or benched excavations at levels above other employees except when employees at the lower levels are adequately protected from the hazard of falling, rolling, or sliding material or equipment.

G. Shield systems-

(1) General.

- (i) Shield systems shall not be subjected to loads exceeding those that the system was designed to withstand.
- (ii) Shields shall be installed in a manner to restrict lateral or other hazardous movement of the shield in the event of the application of sudden lateral loads.
- (iii) Employees shall be protected from the hazard of cave-ins when entering or exiting the areas protected by shields.
- (iv) Employees shall not be allowed in shields when shields are being installed, removed, or moved vertically.

(2) Additional requirements for shield systems used in trench excavations. Excavations of the earth material to a level not greater than 2 feet (.61 m) below the bottom of a shield shall be permitted, but only if the shield is designed to resist the forces calculated for the full depth of the trench, and there are no indications while the trench is open of a possible loss of soil from behind or below the bottom of the shield.

23. SILICA EMPHASIS & AWARENESS

Employee exposure to respirable crystalline silica dust during site preparation may be reduced to a **Permissible Exposure Level (PEL)** by taking certain engineering controls such as wetting breaking, chipping, and sawing operations involving stone or concrete.

The practice of blowing off equipment or work areas should be replaced by washing off. Air monitoring of the modified (wetted) operation will either confirm compliance with the PEL or suggest evidence that additional precaution must be taken to further reduce exposure: respirator usage.

23.1 Potential exposure for Workforce

Concrete products and some natural mined or crushed stone contain sand and rock containing silica. Exposures occur from:

- Crushing, loading, hauling, and dumping rock
- Breaking, crushing, loading, hauling, and dumping concrete
- Chipping, hammering, drilling of rock
- Sawing, hammering, drilling grinding, and chipping of concrete or masonry
- Dry seeping or pressurized air blowing of concrete, rock, or sand dust
- Performing maintenance on equipment covered with dust from stone, rock, or concrete products

23.2 Health effects of Crystalline Silica exposure

When workers inhale crystalline silica, the lung tissue reacts by developing fibrotic nodules and scarring around the trapped silica particles. This fibrotic condition of the lung is called silicosis. If the nodules grow too large, breathing becomes difficult and death may ultimately occur over time.

23.3 The following measures may be taken to reduce exposures to respirable crystalline silica;

- Recognize when silica dust may be generated and plan ahead to eliminate or control the dust at its source. Awareness and planning are keys to prevention of silicosis.
- Use wet cutting of concrete or rock whenever possible.
- Practice good personal hygiene: wash hands and face before eating, smoking, or drinking.
- Provide respirator protection and adequate training for the workers exposed.
- Routinely maintain dust control on the jobsite.
- Maintain operator cab door seal integrity on earth / gravel / stone moving equipment
- Wash equipment before initiating maintenance activity when possible.
- Provide general awareness training for workers in shop and in field operations regarding the health hazards and safe work practices associated with respirable crystalline silica exposures.
- Provide medical monitoring if necessary, if air sampling by an industrial hygiene analysis confirms exposures at levels above 0.05 mg per cubic meter at a time weighted average of 8 hours per day.

24. LOCK OUT / TAG OUT PROCEDURE

Refer to OSHA Construction Standards 1926.417

The Project Superintendent shall be responsible for producing a written lock out tag out procedure for each project that complies with all OSHA and Contractual requirements.

24.1 Job site PRELIMINARY ENERGIZING

- 1) Electrical contractor hired will run electrical feed to energize MCC (Master Control Circuit) panels.
- 2) As each panel is energized, Electrical contractor will see that the breaker is locked in the "off" position.
- 3) Wadsworth Golf Construction Company site management representative will then be informed of panel energizing so he can verify by panel number, and record that lock has been placed on corresponding panel switch in "off" position.
- 4) Before any lock is removed for more than a momentary test sequence, Wadsworth Golf Construction Company's site safety personnel must be notified and given reason so that it can be duly noted in Lock Out/Tag Out Log.
- 5) Keys to MCC panel room will be held only by Wadsworth Golf Construction Company's site management representative and Electrical contractor personnel. Doors will be kept shut and locked when electricians are not at work and "unauthorized" employees will be forbidden access.

24.2. EQUIPMENT CIRCUIT ENERGIZING

- 1) Prior to any equipment "tie-ins", a Meggar Test will be performed to assure satisfactory continuity and identify any shorts in the circuits. This test will also verify correct circuit to panel connection yet to be performed.
- 2) Just prior to equipment circuit "tie-in" to energize panel. Wadsworth Golf Construction Company's site safety personnel will be notified so that anyone working on the equipment or related systems can be cleared from contact.
- 3) At time of "tie-in", "Bump Test" to determine motor rotation and equipment circuit to break panel relations will be performed.
- 4) Upon completion of the "tie-in" and these tests, the circuit will be turned over to Wadsworth Golf Construction Company

- 5) At this time, Wadsworth Golf Construction Company's site safety personnel will place lock adapters and a lock with tags on each panel in place of Electrical contractor's lock.
- 6) The corresponding equipment power isolation switch will then be tested momentarily to verify that the circuit is de-energized.
- 7) After it has been concluded from this test that the relative circuit is de-energized, the respective isolation switch will be placed in the "off" position and Wadsworth Golf Construction Company's lock adapter and lock with tag will be placed and appropriately logged in the Lock Out/Tag Out Log.
- 8) Other contractors and crafts must place locks with tags identifying the person/Wadsworth Golf Construction Company and reason for locking out the circuit can now do so if their people have work to perform on the system.

24.3. EQUIPMENT ENERGIZING (TEST) PROCEDURE

- 1) Prior to any equipment being energized, the circuit and system will be cleared of all tools, workers, and related hazards.
- 2) Those contractors/crafts involved will meet with Wadsworth Golf Construction Company's site representative to discuss purpose of test, duration and agree on safe procedure.
- 3) After item #1 is complete, an appropriate number of safety/watch person(s) will be assigned to keep unauthorized personnel out of area.
- 4) Lock(s)/Tag(s) and lock adapter will now be removed, (and switched to "on" position) first from the panel* in the MCC area, and then at the equipment power isolation switch.
- 5) These will all take place in the presence of the involved contractor/craft representative and Wadsworth Golf Construction Company's site safety personnel, who will record the activity in the Lock Out/Tag Out Log.
- 6) After test is complete, lock adapter, lock(s) and tag(s) will be replaced in reverse order of removal.

* Double check that this is the correct panel to be energized.

24.4 FINAL ENERGIZING PROCEDURE

- 1) 30lb,B:C dry chemical portable fire extinguishers need to be discretely located at an easy to reach location both the MCC panel switch area and at the corresponding pump motor, equipment systems, etc.

- 2) All related contractors will confirm that their work is complete and that their tools have been removed.
- 3) Wadsworth Golf Construction Company's supervision will verify this and resolve any discrepancies prior to notifying the Owners Operations of readiness to activate the system.
- 4) Owners operations will be notified of our being ready for "start-up". Their assistance will be requested, so as not to damage any equipment or initiate any unforeseen problems.
- 5) When a schedule had been established, all related systems will be rechecked for readiness to be operated, with respective problems addressed.
- 6) As requested by the client when ready, items C-(1-5) will be initiated. It should be remembered that only authorized/necessary personnel be allowed in the unit at this time.

24.5. OTHER TYPES OF LOCK OUT/TAG OUT (NON-ELECTRICAL):

- 1) The same format for control of energy/sources (as used for electrical) will be used throughout.
- 2) The only differences will be in the type of isolation devices (valves, blinds, disconnect, etc.) and when no alternative exists, use of tags, car seals, etc., as lock out devices.
- 3) When a stored energy source is "tied-in" to the unit or made a part thereof, this format will be followed with activities recorded in the log.

24.6. EMPLOYEE TRAINING:

- 1) Prior to these procedures being executed, contractor/employees will be informed of the Lock Out / Tag Out Program, details involved and their responsibilities.
- 2) Above all, contractors/employees will be informed of the importance of **not** removing any locks and/or tags installed by others, unless that person has authorized them.

Doing so could very likely result in their termination and/or removal from the site. If their inappropriate action results in an injury or death of a fellow worker, **criminal charges** may be also lodged.

Appendix (To be added as Project forms are provided, or WGCC forms are re-formatted for Black Rock North Golf Course Project)

APPENDIX A Project Orientation with Test - English

APPENDIX D Project Report Matrix

Appendix A - Safety Orientation

At minimum, the following items must be taught:

General Safe Practices:

- Plan work before starting. Planning prevents unnecessary exposure, job shutdowns, and rework. **BEFORE STARTING WORK - THINK!**
- Practice good housekeeping in your work area. Pick up your tools. Leaving materials and scrap will become hazards to others.
- For your protection, obey all warning signs such as "Keep Out," "No Smoking", "Eye Protection Required," and "Authorized Personnel Only."
- All governmental regulations will be enforced and their compliance assured.
- Never jump from any elevated surface, including equipment.
- Seat belts must always be worn.
- Report unsafe equipment, hazardous conditions, and unsafe acts to your supervisor immediately.
- Taking shortcuts leads to injury. Use appropriate ladders, ramps, and stairways.
- Use sanitary facilities provided on the job site.
- Be considerate of the welfare of fellow employees. Avoid distracting their attention or engage in horseplay.
- Familiarize yourself with the job site emergency procedures.
- All compressed gas cylinders must be upright and secured to prevent tipping.
- Backup alarms are required on all equipment and vehicles with limited visibility.
- Avoid back injuries by using proper lifting techniques:
 1. Keep your back straight; do not lean over.
 2. Bend your knees; get down close to the load.
 3. Lift gradually, using your legs, do not jerk or twist.
 4. Get help for bulky or heavy loads.
- Read scaffold tag before using a scaffold. Never climb onto a red-tagged scaffold.
- Trenches and excavations must be shored or sloped properly if greater than five feet deep before any employee can enter.

Personal Protective Equipment:

- All employees, visitors, and vendors must wear an approved hard hat and safety glasses.
- Wear sturdy work boots. Sneakers and sandals are not permitted.
- You must wear clothing suitable for the work you are doing. Minimum attire is long pants and a T-shirt with a minimum 4-inch sleeve. Tank tops are not allowed.
- Hearing protection must be used when exposed to high noise levels.
- Respirators are required in areas where there is excessive dust, fumes, or bad air. Always check with your supervisor before working in such areas.
- You must wear rubber boots when working in concrete or water.
- 100% continuous fall protection is required on the Project for fall exposures greater than six (6) feet, including steel erection and scaffold erection/dismantling.
- Wear appropriate gloves when exposed to heat and sparks; wet concrete, acids, corrosives, electrical exposures, or substances, which could cut.
- Modification or alteration of any personal protective equipment is strictly prohibited.
- Use of PPE will be consistently enforced in accordance with federal and state safety regulations and with rules established on the job.

Employees Responsibilities:

- Any employee who willfully disregards these responsibilities or other safety and health rules shall be subject to disciplinary action or discharge.
- BE ALERT: Obey all safety rules, heed warning signs at all times.
- Report unsafe acts and conditions to your supervisor immediately.
- Promptly report all incidents and injuries to your supervisor.
- Wear required Personal Protective Equipment.
- Keep clear of all machinery or equipment.
- Only authorized and properly trained employees can operate machinery or equipment.
- Practice good housekeeping at all times. Keep all stairways, corridors, ladders, catwalks, ramps, and passageways free of loose material and trash.
- Make certain that a suitable fire extinguisher or adequate fire-extinguishing equipment is available in your area.
- Horseplay is not tolerated on the job site at any time.
- Working under the influence of intoxicants or drugs is strictly prohibited on the Project.

- Firearms are prohibited on the Project.

ZERO ACCIDENTS IS OUR GOAL!

Foley Services, Inc.

655 Winding Brook Drive

Glastonbury, CT 06033

QUARTERLY MAILING

Please find the issues of our *DOT Safety Regulation Update Fast-Fax™* that were published during the previous quarter. During the past quarter we discussed important regulatory issues that you should be aware of and we have offered through our *Fast-Fax Features™*, new products that are available from Foley Services, Inc.

If you would like to have issues of *DOT Safety Regulation Update Fast-Fax™* faxed to you weekly, instead of mailed quarterly, please call us at:
1-800-253-5506 ext. 286

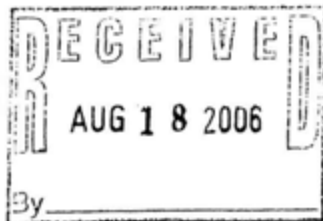
We appreciate your business and hope that you find the information we have sent useful to you, in your position, and throughout your business.

Should you have any questions, concerns or special topics that you would like to see discussed please contact us at:

1-800-253-5506

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www.FoleyServices.com



UNIT PRICES FOR ADJUSTMENTS - CONTRACT

The following Unit Prices as they are further described by the Contract Documents may govern additions and / or deductions required during the course of the work from the base bid; These prices reflect total costs for the item including but not limited to equipment, materials, labor, taxes, overhead, profit, complete.

Mass Grading, Site Storm Drainage and Erosion Control

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
Earthwork and Surfacing		
1. Clearing and Grubbing	Ac.	\$ N / A
2. Mass Grading – General Excavation	C.Y.	\$ N / A
3. Mass Grading - Rock Excavation	C.Y.	\$ N / A
4. Trench Rock Excavation	C.Y.	\$ N / A
5. Construction Haul Road Surfacing (6" Type 1 Ballast)	S.Y.	\$ N / A
6. Over Excavation of Soft Subgrade	C.Y.	\$ N / A
7. Geotextile Grid for Soil Stabilization	S.Y.	\$ N / A
8. Import and Place Ballast for Soft Subgrade	C.Y.	\$ N / A
Site Storm Drainage		
9. 12" CMP Culvert	L.F.	\$ N / A
10. 18" CMP Culvert	L.F.	\$ N / A
11. 24" CMP Culvert	L.F.	\$ N / A
12. 12" Storm Sewer	L.F.	\$ N / A
13. 18" Storm Sewer	L.F.	\$ N / A
14. 24" Storm Sewer	L.F.	\$ N / A
15. Type 1L Catch Basin	Ea.	\$ N / A
16. Type 2 Catch Basin	Ea.	\$ N / A
Temporary Erosion Control		
17. Riprap Lined Channel	L.F.	\$ N / A
18. Riprap Outlet	C.Y.	\$ N / A
19. Rock Check Dam	Ea.	\$ N / A
20. Silt Fence	L.F.	\$ N / A
21. Straw Bale Check Dam	Ea.	\$ N / A
22. Rock Construction Entrance	Ea.	\$ N / A
23. Erosion Control Mat	S.Y.	\$ N / A
24. Seeding – Roadside Ditches, Swales & Sed. Ponds	Ac.	\$ N / A
25. Seeding – Cut / Fill Slopes & Non Golf Areas	Ac.	\$ N / A
Site Ponds		
26. 30 mil. PVC Liner – Purchase & Install, complete	S.Y.	\$ 5.61

18 Hole Golf Course Construction

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
General		
1. Purchase, Place and Maintain Orange Fencing	L.F.	\$ 1.75
Sand Cap and Topsoil Management		
2. Strip & Stockpile Topsoil in Designated Areas	C.Y.	\$ 2.00
3. Haul & Spread Sandcap 8" to Compact to 6" in Fairways	C.Y.	\$ 21.40
4. Haul & Spread Topsoil 8" to Compact to 6" In Rough Areas	C.Y.	\$ 3.00
Golf Course Shaping		
5. Shaping & Contouring In-Place Material to Plans and as Directed for Positive Drainage	C.Y.	\$ Lump Sum
Golf Course Drainage		
6. 4" Perforated HDPE (Fairways, only)	L.F.	\$ 7.00
7. 4" Solid HDPE	L.F.	\$ 6.05
8. 6" Solid HDPE	L.F.	\$ 8.55
9. 8" Solid HDPE	L.F.	\$ 10.05
10. 10" Solid HDPE	L.F.	\$ 13.05
11. 12" Solid HDPE	L.F.	\$ 16.55
12. 18" Solid HDPE	L.F.	\$ 28.35
13. 24" Solid HDPE	L.F.	\$ 35.70
14. 8" Round Drain Inlet	Ea.	\$ 280.00
15. 12" Round Drain Inlet	Ea.	\$ 395.00
16. 4" Perforated Pipe (French Drains)	L.F.	\$ 7.00
17. Cart Path Inlet (Inset in Path)	Ea.	\$ 395.00
Greens Construction		
18. Greens Construction including Drainage, Gravel Blanket, Rootzone Mix and Interface	S.F.	\$ 3.24
Tee Construction		
19. Tee Construction w/ 6" USGA Sand w/o Organic	S.F.	\$ 1.05

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
Bunker Construction		
20. Shape, Edge, Hand Prep. & Install Drainage	S.F.	\$.50
21. Purchase & Place Sand Mat on Steep Faces	S.F.	\$ 1.36
22. Purchase & Place Sand and Spread 6" Deep To Compact to 4"	S.F.	\$ 1.69
23. Fabric Liner - Areas not Covered w/ Sand Mat	S.F.	\$.72
Cart Path Construction		
24. Subgrade Preparation, Compaction and Backfill	L.F.	\$ 2.00
25. 8' Wide by 4" Th. Concrete Cart Path w/ Color	L.F.	\$ 25.75
26. 12' Wide by 4" Th. Concrete Cart Path w/ Color	L.F.	\$ 38.25
27. 4" by 4" Concrete Curb with Color	L.F.	\$ 5.25
Finish Shaping and Contouring		
28. Final Shaping & Contouring following Irrigation Drainage and Cart Path	Ac.	\$ 1,000.00
Rock Picking		
29. Mechanical and Hand Pick for Turf Areas incl. Subgrade	Ac.	\$ 300.00
Seed Bed Preparation		
30. Prepare Intended Turf Areas for Seed & Sod	Ac.	\$ Lump Sum
Soil Amendment / Fertilizer		
31. Furnish & Apply Materials According to Specs.	Ac.	\$ 405.00
Grassing		
32. Tees - Pencross Bentgrass	S.F.	\$.105
33. Greens - L93 Bentgrass	S.F.	\$.105
34. Fairways - Jacklin 5 Steps Above Bluegrass With 10% Perennial Rye	Ac.	\$ 3,250.00
35. Formal Roughs - Jaclin 5 Steps Above Bluegrass With 10% Perennial Rye	Ac.	\$ 3,250.00
36. Native Roughs - Match Existing Native Grass	Ac.	\$ 4,800.00
37. Purchase and Place Sod Excluding Greens	Ac.	\$ 17,860.00

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
Rock Retaining Walls		
38. Construct Rock Ret. Walls with Existing Rock	F.F.	\$ 10.80
Irrigation Heads		
39. Rain Bird #700 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ 180.00
40. Rain Bird #700 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ 185.00
41. Rain Bird #750 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ 190.00
42. Rain Bird #750 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ 195.00
43. Rain Bird #500 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ 160.00
44. Rain Bird #500 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ 165.00
45. Rain Bird #550 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping	Ea.	\$ 170.00
46. Rain Bird #550 V.I.H. Rotor w/ Swing Joint All Wire, and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ 175.00
47. Rain Bird 351B Series. Rotor w/ Swing Joint and 2" SCH 40 PVC Lateral Piping	Ea.	\$ 75.00
48. Rain Bird 351B Series. Rotor w/ Swing Joint and 2" SCH 40 PVC Lateral Piping (Purple)	Ea.	\$ 78.00
Irrigation Components		
49. Toro P220, 1-1/2" Plastic Remote Control Valve Riser Assembly and Valve Box	Ea.	\$ 200.00
50. Rain Bird PAR + ES 72 Station Satellite Unit, Plastic Pedestal Grounding and Concrete Pad	Ea.	\$ 3,500.00
51. Rain Bird - 8 Station OSM (Complete w/ Switches)	Ea.	\$ 400.00
52. Rain Bird #5NP 1" Quick Coupling Valve, Swing Joint Assembly and Valve Box	Ea.	\$ 118.00
53. 4" Manual Blow off Valve Assembly & Box	Ea.	\$ 900.00

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
54. 2" Crispin #PL10A Air Relief Valve, Swing Joint Assembly and Box	Ea.	\$ 575.00
55. 2" Drain Valve Assembly and Box	Ea.	\$ 600.00
56. 2" Lateral Isolation Valve, Box & Riser Assembly installed on Distribution Piping	Ea.	\$ 200.00
Irrigation Gate Valve and Box		
57. 4" Isolation Gate Valve and Box	Ea.	\$ 450.00
58. 6" Isolation Gate Valve and Box	Ea.	\$ 550.00
59. 8" Isolation Gate Valve and Box	Ea.	\$ 750.00
60. 10" Isolation Gate Valve and Box	Ea.	\$ 950.00
61. 12" Isolation Gate Valve and Box	Ea.	\$ 1,200.00
62. 16" Isolation Gate Valve and Box	Ea.	\$ 4,000.00
Irrigation Pipe and Fittings		
63. 2" SCH 40 PVC Lateral Piping and Fittings	L.F.	\$ 1.75
64. 2" SCH 40 PVC Lateral Piping and Fittings (Purple)	L.F.	\$ 1.80
65. 2-1/2" SCH 40 PVC Lateral Piping and Fittings	L.F.	\$ 2.30
66. 2-1/2" SCH 40 PVC Lateral Piping and Fittings (Purple)	L.F.	\$ 2.50
67. 6" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 6.50
68. 6" PVC Class 200 Distribution Piping and Fittings (Purple)	L.F.	\$ 7.00
69. 8" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 10.50
70. 8" PVC Class 200 Distribution Piping and Fittings (Purple)	L.F.	\$ 11.20
71. 10" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 16.00
72. 12" PVC Class 200 Distribution Piping and Fittings	L.F.	\$ 18.50
73. 16" PVC C905 DR18 Distr. Piping and Fittings	L.F.	\$ 45.00
74. 27" SDR 35 PVC Intake Piping	L.F.	\$ 90.00
Irrigation Electrical / Communications		
75. #14-1 UF UL Control Wire	L.F.	\$.11
76. #12-1 UF UL Common Wire	L.F.	\$.15
77. #8-2 UF UL Wire with Ground	L.F.	\$ 2.00
78. #6-2 UF UL Wire with Ground	L.F.	\$ 2.50
79. #2-2 UF UL Wire with Ground	L.F.	\$ 4.00
80. #2 - 1/0 UF UL Wire with Ground	L.F.	\$ 7.00
81. #8 Bare Copper Ground	L.F.	\$ 1.00

18 Hole Golf Course Construction - Continued

<u>Item</u>	<u>Unit</u>	<u>Unit Price</u>
82. Rain Bird Communication Cable	L.F.	\$.50
83. Weather Station Communication Cable	L.F.	\$ 1.25
84. Weather Station, Complete	Ea.	\$ 10,000.00
Irrigation Miscellaneous		
85. 6" Bridge Crossing	L.F.	\$ 18.00
86. 8" Bridge Crossing	L.F.	\$ 22.00
87. 10" Bridge Crossing	L.F.	\$ 36.00
88. 16" Bridge Crossing	L.F.	\$ 60.00
89. Construction Grade Sand or Acceptable Backfill Material in Place	Ton	\$ N / A

BLACK ROCK NORTH GC - Coeur d'Alene, ID

Contract Drawings

Category	Prepared by	Sheet #	Description	Date
MASS EX / SD / EC	Taylor Engineering	1-36	Mass Grading, Site Storm Water Drainage & Erosion Control	10.13.06
GOLF COURSE	Tom Weiskopf Design	None	Clearing Plan - Holes 1, 2, 3, 7, & 8	04.14.06
		None	Clearing Plan - Holes 4,5 & 6	04.14.06
		None	Clearing Plan - Holes 9, 10 & 18	04.14.06
		None	Clearing Plan - Holes 11, 12, 13 & 14	04.14.06
		None	Clearing Plan - Holes 15, 16 & 17	04.14.06
		None	Grading Plan - Holes 1, 2, 3, 7, & 8	04.14.06
		None	Grading Plan - Holes 4,5 & 6	04.14.06
		None	Grading Plan - Holes 9, 10 & 18	04.14.06
		None	Grading Plan - Holes 11, 12, 13 & 14	04.14.06
		None	Grading Plan - Holes 15, 16 & 17	04.14.06
		None	Drainage Plan - Holes 1, 2, 3, 7, & 8	04.14.06
		None	Drainage Plan - Holes 4,5 & 6	04.14.06
		None	Drainage Plan - Holes 9, 10 & 18	04.14.06
		None	Drainage Plan - Holes 11, 12, 13 & 14	04.14.06
		None	Drainage Plan - Holes 15, 16 & 17	04.14.06
		None	Grassing Plan - Holes 1, 2, 3, 7, & 8	04.14.06
		None	Grassing Plan - Holes 4,5 & 6	04.14.06
		None	Grassing Plan - Holes 9, 10 & 18	04.14.06
		None	Grassing Plan - Holes 11, 12, 13 & 14	04.14.06
		None	Grassing Plan - Holes 15, 16 & 17	04.14.06
IRRIGATION	Harvey Mills Design	I-1	Title Sheet	05.19.06
		I-2	Mainline Layout	05.19.06
		I-3	Electrical Wiring (Communication)	05.19.06
		I-4	Electrical Wiring (Power)	05.19.06
		I-5	Irrigation Layout - Holes 1, 2, 3, 8, DR	05.19.06
		I-6	Irrigation Layout - Holes 4, 7	05.19.06
		I-7	Irrigation Layout - Holes 5, 6	05.04.06
		I-8	Irrigation Layout - Holes 9, 10, 11, 12, 18	05.19.06
		I-9	Irrigation Layout - Holes 13, 14, 15, 16, 17	05.19.06
		I-10	Irrigation Details	05.19.06
		I-11	Irrigation Details	05.19.06
		I-12	Pumping Station	05.19.06
Contract Specifications				
ALL	Taylor Engineering	N / A	Construction Contract Documents & Specifications for 18 Hole Golf Course Construction Project at Black Rock North	Jun-06
GEOTECH	STRATA, Inc.	N / A	Geotechnical Engineering Evaluation of Infrastructure Black Rock North Residential Development	06.30.06

217- Agree mnt

Coeur d'Alene
BLACK ROCK

November 10, 2006

Stephen Harrell
Wadsworth Golf Construction Company
600 N. 195th Ave.
Buckeye, AZ 85326

Dear Steve,

In response to your letter dated November 6, 2006:

1. Fairway Sand supplied by Interstate Sand & Gravel is approved.
2. The wet well depth has been redesigned to 15' and the intake size is still being redesigned. We will forward you the final design once it is completed.
3. We have chosen Ideal Sod as the sod supplier.
4. and 5. Performance and labor payment bonds are included in the contract that is currently being re-drafted. We will provide you with this updated draft as soon as possible.
6. A new construction schedule from ACI was faxed to your office on 11/9/06. Please let me know if you did not receive this information.

This should resolve all of the construction matters referenced in your letter. If you have further questions, please don't hesitate to contact me at my office, (208) 665-5815.

Sincerely,



Kyle Capps, CGCS
Vice President of Site Development and Maintenance

AIA Document A312™ – 1984

Performance Bond – #929410543

CONTRACTOR (Name and Address):

Wadsworth Golf Construction
Company
600 N. 195th Avenue
Buckeye, AZ 85326

OWNER (Name and Address):

BRN Development, Inc.
P.O. Box 3070
Coeur d' Alene, ID 83816

SURETY (Name and Principal Place of Business):

Western Surety Company
333 E Butterfield Road, Suite 810
Lombard, IL 60148

CONSTRUCTION CONTRACT

Date: December 01, 2006

Amount: \$9,796,938.00

Description (Name and Location):

Black Rock North Golf Course
West Rockford Bay Rd. and South Loffs Bay Rd.
Cour d' Alene, ID 83814

Construction of an 18 hole golf course and irrigation system.

BOND

Date (Not earlier than Construction Contract Date): December 05, 2006

Amount: \$9,796,938.00

Modifications to this Bond: ☒ None ☐ See Last Page

CONTRACTOR AS PRINCIPAL

Company: 

Signature:

Name and Title: **Stephen Harrell**
President

SURETY

Company: 

Signature:

Name and Title: **William D. Miller**
Attorney-in-fact

(Any additional signatures appear on the last page)

(FOR INFORMATION ONLY - Name, Address and Telephone)

AGENT or BROKER:

Mr. Robert W. Kegley
Columbian Agency
1005 Laraway Road - PO Box 39
New Lenox, IL 60451
815-485-4100

OWNER'S REPRESENTATIVE

(Architect, Engineer or other party):

Tom Weiskopf Designs
7580 E. Gray Road
Suite #204
Scottsdale, AZ 85206

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences.

Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contract, Surety, Owner or other party shall be considered plural where applicable.

§ 1 The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

§ 2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except to participate in conferences as provided in Section 3.1.

§ 3 If there is no Owner Default, the Surety's obligation under this Bond shall arise after:

§ 3.1 The Owner has notified the Contractor and the Surety at its address described in Section 10 below that the Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with the Contractor and the Surety to be held not later than fifteen days after receipt of such notice to discuss methods of performing the Construction Contract. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default; and

§ 3.2 The Owner has declared a Contractor Default and formally terminated the Contractor's right to complete the contract. Such Contractor Default shall not be declared earlier than twenty days after the Contractor and the Surety have received notice as provided in Section 3.1; and

§ 3.3 The Owner has agreed to pay the Balance of the Contract Price to the Surety in accordance with the terms of the Construction Contract or to a contractor selected to perform the Construction Contract in accordance with the terms of the contract with the Owner.

§ 4 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

§ 4.1 Arrange for the Contractor, with consent of the Owner, to perform and complete the Construction Contract; or

§ 4.2 Undertake to perform and complete the Construction Contract itself, through its agents or through independent contractors; or

§ 4.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and the contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 6 in excess of the Balance of the Contract Price incurred by the Owner resulting from the Contractor's default; or

§ 4.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

- .1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, tender payment therefor to the Owner; or
- .2 Deny liability in whole or in part and notify the Owner citing reasons therefor.

§ 5 If the Surety does not proceed as provided in Section 4 with reasonable promptness, the Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 4.4, and the Owner refuses the payment tendered or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

§ 6 After the Owner has terminated the Contractor's right to complete the Construction Contract, and if the Surety elects to act under Section 4.1, 4.2, or 4.3 above, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. To the limit of the amount of this Bond, but subject to commitment by the Owner of the Balance of the Contract Price to mitigation of costs and damages on the Construction Contract, the Surety is obligated without duplication for:

§ 6.1 The responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;

§ 6.2 Additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 4; and

§ 6.3 Liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

§ 7 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators or successors.

§ 8 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 9 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 10 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page.

§ 11 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted here from and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 12 DEFINITIONS

§ 12.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

§ 12.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

§ 12.3 Contractor Default: Failure of the Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Construction Contract.

§ 12.4 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

§ 13 MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company: _____
(Corporate Seal)

SURETY

Company: _____
(Corporate Seal)

Signature: _____
Name and Title:
Address:

Signature: _____
Name and Title:
Address:

Payment Bond - #929410543

CONTRACTOR (Name and Address):

Wadsworth Golf Construction Company
600 N. 195th Avenue
Buckeye, AZ 85326

SURETY (Name and Principal Place of Business):

Western Surety Company
333 E Butterfield Road, Suite 810
Lombard, IL 60148

OWNER (Name and Address):

BRN Development, Inc.
P.O. Box 3070
Coeur d' Alene, ID 83816

CONSTRUCTION CONTRACT

Date: December 01, 2006
Amount: \$9,796,938.00
Description (Name and Location):
Black Rock North Golf Course
West Rockford Bay Rd. and South Loffs Bay Rd.
Coeur d' Alene, ID 83814
Construction of an 18 hole golf course and irrigation system.

BOND

Date (Not earlier than Construction Contract Date): December 05, 2006

Amount: \$9,796,938.00

Modifications to this Bond: ☒ None ☐ See Last Page

CONTRACTOR AS PRINCIPAL

Company:

(Corporate Seal)

Signature:

Name and Title: **Stephen Harrell**
President

(Any additional signatures appear on the last page)

SURETY

Company:

(Corporate Seal)

Signature:

Name and Title: **William D. Miller,**
Attorney-in-fact

(FOR INFORMATION ONLY - Name, Address and Telephone)

AGENT or BROKER:

Mr. Robert W. Kegley
Columbian Agency
1005 Laraway Road - PO Box 39
New Lenox, IL 60451
815-485-4100

OWNER'S REPRESENTATIVE (Architect, Engineer or other party):

Tom Weiskopf Designs
7580 E. Gray Road
Suite #204
Scottsdale, AZ 85206

§ 1 The Contractor and the Surety, jointly and severally bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference.

§ 2 With respect to the Owner, this obligation shall be null and void if the Contractor:

§ 2.1 Promptly makes payment, directly or indirectly, for all sums due Claimants, and

§ 2.2 Defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity whose claim, demand, lien or suit is for the payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, provided the Owner has promptly notified the Contractor and the Surety (at the address described in Section 12) of any claims, demands, liens or suits and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety, and provided there is no Owner Default.

§ 3 With respect to Claimants, this obligation shall be null and void if the Contractor promptly makes payment, directly or indirectly, for all sums due.

§ 4 The Surety shall have no obligation to Claimants under this Bond until:

§ 4.1 Claimants who are employed by or have a direct contract with the Contractor have given notice to the Surety (at the address described in Section 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.

§ 4.2 Claimants who do not have a direct contract with the Contractor:

- .1 Have furnished written notice to the Contractor and sent a copy, or notice thereof, to the Owner, within 90 days after having last performed labor or last furnished materials or equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials were furnished or supplied or for whom the labor was done or performed; and
- .2 Have either received a rejection in whole or in part from the Contractor, or not received within 30 days of furnishing the above notice any communication from the Contractor by which the Contractor has indicated the claim will be paid directly or indirectly; and
- .3 Not having been paid within the above 30 days, have sent a written notice to the Surety (at the address described in Section 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to the Contractor.

§ 5 If a notice required by Section 4 is given by the Owner to the Contractor or to the Surety, that is sufficient compliance.

§ 6 When the Claimant has satisfied the conditions of Section 4, the Surety shall promptly and at the Surety's expense take the following actions:

§ 6.1 Send an answer to the Claimant, with a copy to the Owner, within 45 days after receipt of the claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed.

§ 6.2 Pay or arrange for payment of any undisputed amounts.

§ 7 The Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

§ 8 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any Construction Performance Bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and the Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

§ 9 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.

§ 10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 11 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which the work or part of the work is located or after the expiration of one year from the date (1) on which the Claimant gave the notice required by Section 4.1 or Section 4.2.3, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page. Actual receipt of notice by Surety, the Owner or the Contractor, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.

§ 13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 14 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.

§ 15 DEFINITIONS

§ 15.1 Claimant: An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

§ 15.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

§ 15.3 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

§ 16 MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company: _____ (Corporate Seal)

Signature: _____
Name and Title:
Address:

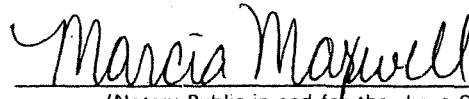
SURETY

Company: _____ (Corporate Seal)

Signature: _____
Name and Title:
Address:

SS.:

**Surety
Company
Acknowledgment**



(Notary Public in and for the above County, and State)

My commission expires 03/29/2009

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

**Kevin J Scanlon, William D Miller, Robert H Walker, R. L. Mc Wethy, Robert W. Kegley,
Individually**

of New Lenox, IL, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Senior Vice President and its corporate seal to be hereto affixed on this 27th day of October, 2006.



WESTERN SURETY COMPANY

Paul T. Bruflat, Senior Vice President

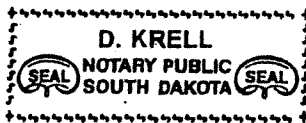
State of South Dakota
County of Minnehaha

} ss

On this 27th day of October, 2006, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Senior Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

November 30, 2012



D. Krell, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this 5th day of December, 2006



WESTERN SURETY COMPANY

L. Nelson, Assistant Secretary

EXHIBIT 9

CONDITIONAL WAIVER AND RELEASE ON PROGRESS PAYMENT
(Pursuant to A.R.S. § 33-1008)

Project: Ridge Creek Golf Course
Job No: 217-03

On receipt by the undersigned of a check from Black Rock Development, Inc
(Maker of Check)
in the sum of \$42,334.18 payable to Wadsworth Golf Construction Company
(Amount of Check) (Payee or Payees of Check)

and when the check has been properly endorsed and has been paid by the bank on which it was drawn, this document becomes effective to release any mechanics' lien, any state or federal statutory bond right, and private bond right, any claim for payment and any rights under any similar ordinance, rule or statute related to claim or payment rights for persons in the undersigned's position that the undersigned has on the job of Black Rock North Golf Course

(Owner)

located at Black Rock North Golf Course in Coeur D' Alene, ID(job Description) tio the following extent. This release covers a progress payment for all labor, services, equipment or materials furnished to that jobsite or to Black Rock North Golf Course Person with whom Undersigned Contracted) through February 28,2007 only and does not cover any retention, pending modifications and changes (Date) or items furnished after that date. Before any recipient of this document relies on it, that person should verify evidence of payment to the undersigned.

The undersigned warrants that he either has already paid or will use the monies he receives from this progress payment to promptly pay in full all of his laborers, subcontractors, materialmen and suppliers for all work, materials, equipment or services provided for or to the above referenced project up to the date of this waiver.

DATED: February 28, 2007

Wadsworth Golf Construction Company
(Company Name)

BY:

Stephen Harrell

President

(Title)

WGC-mt000379



CONDITIONAL LIEN WAIVER, RELEASE AND SUBORDINATION

(3)

Payment Amount: \$42,334.18
For Work Through: February 28, 2007

TO: BRN DEVELOPMENT, INC., OWNER
P.O. Box 3070
Coeur d'Alene, ID 83818
- and -
ALL OTHER PARTIES IN INTEREST

RE: PROJECT - BLACK ROCK NORTH and BLACK ROCK NORTH GOLF COURSE
COEUR D'ALENE, IDAHO

Upon receipt of payment of the sum of \$42,334.18, the undersigned waives any and all right to any lien whatever and releases all rights to lien or claim any lien against the real property associated with the above Project by the undersigned in connection with any and all work or labor performed, materials, equipment, goods, or things supplied or furnished, or any other claims or obligations owed through the date shown above, on the above-named Project.

This waiver and release does not cover rights or obligations that might accrue after the above date for additional work that may be performed. In addition, upon receipt of the payment stated above, the undersigned agrees that any lien that may be filed for work performed after said date will only have lien priority from and after the date stated above and will be subordinate to any liens or encumbrances attaching to the subject property prior to said date.

As an inducement to the above-named Owner to make the payment first described above, the undersigned further covenants and represents that it has performed the work and/or furnished the materials pursuant to and in accordance with the plans and specifications or work order in effect up through February 28, 2007. The undersigned further covenants and represents that either all obligations related to labor, equipment, supplies, materials, lower tier subcontractors at all levels and consultants through the date first stated above have been fully paid, or all such obligations will be paid first out of the funds to be received before any of said funds will be applied to any other purpose and the payment first described above will be sufficient to fully satisfy all such obligations.

If signed on behalf of a company, the undersigned certifies under penalty of perjury under the laws of the State of Idaho that he or she is authorized to execute the same on behalf of the company to be bound.

WADSWORTH GOLF CONSTRUCTION CO.

By: [Signature]
Its: President

STATE of Arizona }
County of Maricopa } ss.

On this 4th day of April, 2007, before me, the undersigned, a Notary Public in and for the State of Arizona, personally appeared Stephen Harrell, known or identified to me to be the President of Wadsworth Golf Construction Co., the corporation that executed the foregoing instrument and acknowledged the said instrument to be a free and voluntary act and deed of the corporation, for the uses and purposes set forth therein, and on oath stated that he is authorized to execute said instrument on behalf of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.



Conditional Lien Waiver, Release and Subordination 1

Susan Stenner
Notary Public in and for the State of Arizona
Residing at: 8525 S 195th Drive
My Commission Expires: 9-27-2009

BRN
0536

EXHIBIT 10

Filed for Record at the Request of:
Witherspoon, Kelley, Davenport
& Toole, P.S.
The Spokesman Review Building
608 Northwest Boulevard, Suite 401
Coeur d'Alene, Idaho 83814
Attention: Edward J. Anson

NOTICE OF CLAIM OF LIEN

1. The name of the claimant is: WADSWORTH GOLF CONSTRUCTION COMPANY OF THE SOUTHWEST, a Delaware corporation, having its principal place of business at 600 N. 195th Avenue, Buckeye, Arizona 85326.

2. The claimant hereby claims a lien against all the real property which is described in **Exhibit "A"** attached hereto and incorporated herein by reference.

3. The name of the owner or reputed owner of the foregoing real property is: BRN DEVELOPMENT, INC., an Idaho corporation, P.O. Box 3070, Coeur d'Alene, Idaho 83816, whose registered agent is Chad V. Rountree, 912 Northwest Boulevard, Coeur d'Alene, Idaho 83814.

4. This lien is claim for monies due and owing to the claimant for labor and materials provided on the above-described real property, pertaining to the construction of a golf course to be known as Black Rock North.

5. The labor and materials were supplied at the request of the owner, BRN DEVELOPMENT, INC.

6. The furnishing of labor and materials commenced on or about October 28, 2006 and was substantially completed on October 20, 2008, with final completion on November 21, 2008.

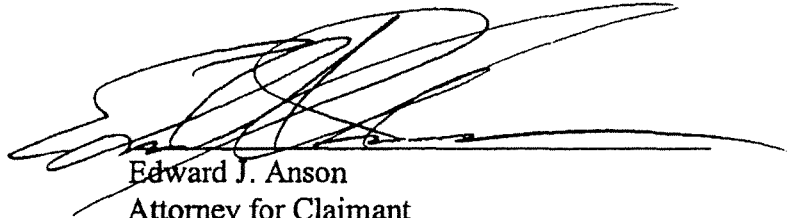
7. The amount claimed due and owing to the claimant for labor and materials is the

principal sum of TWO MILLION THREE HUNDRED TWENTY-NINE THOUSAND FOUR HUNDRED THIRY-NINE DOLLARS AND 72/100 (\$2,329,439.72), together with interest thereon at the rate of 12% per annum pursuant to Idaho Code § 28-22-104 in the amount of SEVEN HUNDRED SIXTY-FIVE DOLLARS AND 84/100 (\$765.84) per day from December 31, 2008 until paid.

8. There are no credits or offsets against said monies that are presently due and owing.

9. In the event of litigation, a lien is also claimed for any attorneys' fees awarded under Idaho Code § 45-513.

DATED this 6 day of JAN. 2009.

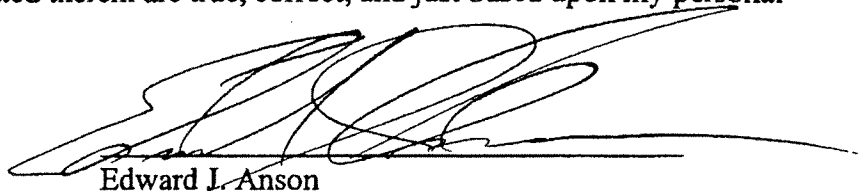
A handwritten signature in black ink, appearing to read 'Edward J. Anson', is written over a horizontal line.

Edward J. Anson
Attorney for Claimant
Wadsworth Golf Construction Company
of the Southwest

STATE OF IDAHO)
 :
County of Kootenai)

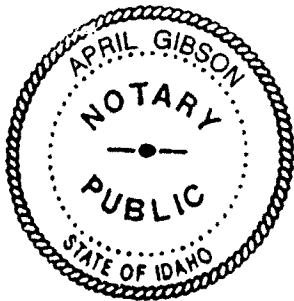
I, Edward J. Anson, being first duly sworn upon oath, deposes and says:

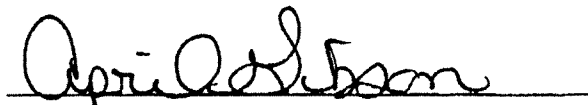
That I am the attorney for Wadsworth Golf Construction Company of the Southwest, which is the claimant in the above entitled Notice of Claim of Lien. That I am competent to testify as to all matters contained in this Notice of Claim of Lien and do so for and on behalf of said claimant. That I make this verification for and on behalf of said claimant, Wadsworth Golf Construction Company of the Southwest. That I have read the foregoing Notice of Claim of Lien, that I know the contents thereof, and I testify that the facts stated therein are true, correct, and just based upon my personal knowledge.



Edward J. Anson
Attorney for Claimant, Wadsworth Golf Construction
Company of the Southwest

I, April K. Gibson, a notary public, do hereby certify that on this 6 day of Jan., 2009, personally appeared before me EDWARD J. ANSON, who, being by me first duly sworn, declared that he is the attorney for Wadsworth Golf Construction Company of the Southwest, that he signed the foregoing Notice of Claim of Lien as attorney for said claimant, and that the statements therein contained are true, correct and just based upon his personal knowledge.




Notary Public for the State of Idaho
Residing at: Coeur d'Alene
My Commission Expires: 06/14/2014

CERTIFICATE OF SERVICE

I, the undersigned, certify that on the 6 day of Jan. 2009, I caused a true and correct copy of the NOTICE OF CLAIM OF LIEN to be forwarded, with all required charges prepaid, by the method(s) indicated below, to the following person(s):

BRN Development, Inc.
P.O. Box 3070
Coeur d'Alene, Idaho 83816

- ☒ Certified Mail—Return
Receipt Requested
- ☐ Hand Delivered
- ☐ Overnight Mail
- ☐ Via Fax: _____

BRN Development, Inc.
c/o Chad V. Rountree, as Registered Agent
912 Northwest Boulevard
Coeur d'Alene, Idaho 83814

- ☒ Certified Mail—Return
Receipt Requested
- ☐ Hand Delivered
- ☐ Overnight Mail
- ☐ Via Fax: _____

Robert J. Fasnacht
Robert J. Fasnacht, P.C.
850 W. Ironwood Drive, Suite 101
Coeur d'Alene, Idaho 83814
*Attorney for Concrete Finishing, Inc. and
Interstate Concrete and Asphalt Co.*

- ☒ Certified Mail—Return
Receipt Requested
- ☐ Hand Delivered
- ☐ Overnight Mail
- ☐ Via Fax: _____

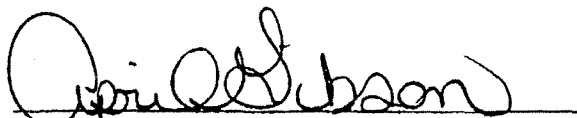
Jeff R. Sykes
Meuleman Mollerup LLP
755 W. Front Street, Suite 200
Boise, Idaho 83702
Attorney for The Turf Corporation

- ☒ Certified Mail—Return
Receipt Requested
- ☐ Hand Delivered
- ☐ Overnight Mail
- ☐ Via Fax: _____

Barry W. Davidson
Davidson Backman Medeiros PLLC
1550 Bank of America Financial Center
601 W. Riverside Avenue
Spokane, Washington 99201

- ☒ Certified Mail—Return
Receipt Requested
- ☐ Hand Delivered
- ☐ Overnight Mail
- ☐ Via Fax: _____

Attorney for BRN Development, Inc.



April Gibson

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

THE FOLLOWING 4 TRACTS LABELLED A-D IN GOVERNMENT LOTS 7 AND 8 IN SECTION 8, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO:

TRACT A:

A TRACT OF LAND LOCATED IN GOVERNMENT LOT 8, SECTION 8, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, STATE OF IDAHO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 8;

THENCE SOUTH 3 DEGREES 37'03" WEST ALONG THE WEST LINE OF SAID GOVERNMENT LOT, A DISTANCE OF 1111.1 FEET TO THE NORTH RIGHT OF WAY OF EXISTING LOFF'S BAY ROAD;

THENCE 55.69 SOUTHEASTERLY ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 290.0 FEET ON A CHORD BEARING SOUTH 68 DEGREES 17'44" EAST, 55.60 FEET;

THENCE SOUTH 62 DEGREES 47'39" EAST ALONG SAID RIGHT OF WAY, 115.37 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 3 DEGREES 37'03" EAST, 588.0 FEET;

THENCE SOUTH 86 DEGREES 54'39" EAST, 955.4 FEET TO THE INTERSECTION WITH THE NORTH RIGHT OF WAY OF EXISTING COUNTY ROAD;

THENCE SOUTH 42 DEGREES 34'10" WEST ALONG SAID RIGHT OF WAY 538.6 FEET;

THENCE ALONG SAID RIGHT OF WAY ON A CURVE TO THE RIGHT, 161.47 FEET WITH A RADIUS OF 690.0 FEET AND A CENTRAL ANGLE OF 13 DEGREES 24'29";

THENCE SOUTH 55 DEGREES 58'39" WEST ALONG SAID RIGHT OF WAY, 107.27 FEET;

THENCE ALONG SAID RIGHT OF WAY ON A CURVE TO THE RIGHT, 341.96 FEET WITH A RADIUS OF 320.0 FEET AND A CENTRAL ANGLE OF 61 DEGREES 13'42";

THENCE NORTH 62 DEGREES 47'39" WEST ALONG SAID RIGHT OF WAY, 100.0 FEET TO THE TRUE POINT OF BEGINNING.

TRACT B:

EXHIBIT "A"
LEGAL DESCRIPTION

A PARCEL OF LAND LOCATED IN THE NORTH HALF OF SECTION 8, TOWNSHIP 48 NORTH, RANGE 4 WEST OF THE BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, SAID PARCEL BEING A PORTION OF GOVERNMENT LOT 7, SAID SECTION 8, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT 20, AS SHOWN ON THE RECORD OF SURVEY BY EUGENE H. WELBORN, R.L.S. #1020, FILED IN BOOK 4 AT PAGE 249, KOOTENAI COUNTY RECORDS, FROM WHICH THE CENTER OF SAID SECTION 8 BEARS SOUTH 3 DEGREES 28' 34" WEST A DISTANCE OF 1,759.89 FEET;

THENCE SOUTH 86 DEGREES 54' 39" EAST ALONG THE NORTH BOUNDARY LINE, SAID GOVERNMENT LOT 7, A DISTANCE OF 1329.84 FEET TO THE NORTHEAST CORNER OF LOT 7;

THENCE 3 DEGREES 37' 03" WEST ALONG THE EASTERLY BOUNDARY LINE, SAID LOT 7, A DISTANCE OF 766.02 FEET TO THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION;

THENCE SOUTH 3 DEGREES 37' 03" WEST CONTINUING ALONG SAID LINE A DISTANCE OF 345.08 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF LOFF'S BAY ROAD, SAID POINT BEING THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTH, HAVING A RADIUS OF 290.00 FEET, THROUGH A CENTRAL ANGLE OF 50 DEGREES 52' 50" A DISTANCE ALONG THE ARC OF 257.53 FEET, THE CHORD BEARING OF SAID CURVE BEING SOUTH 80 DEGREES 44' 47" WEST;

THENCE SOUTH 55 DEGREES 18' 20" WEST CONTINUING ALONG SAID RIGHT OF WAY, A DISTANCE OF 297.82 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 1980.00 FEET, THROUGH A CENTRAL ANGLE OF 7 DEGREES 02' 34", A DISTANCE ALONG THE ARC OF 243.38 FEET;

THENCE SOUTH 48 DEGREES 15' 46" WEST CONTINUING ALONG SAID RIGHT OF WAY A DISTANCE OF 243.62 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 670.00 FEET, THROUGH A CENTRAL ANGLE OF 11 DEGREES 00' 00" A DISTANCE ALONG THE ARC OF 128.63 FEET;

THENCE NORTH 3 DEGREES 51' 04" EAST LEAVING SAID RIGHT OF WAY, A DISTANCE OF 279.05 FEET;

THENCE NORTH 16 DEGREES 00' 00" EAST A DISTANCE OF 831.46 FEET;

THENCE SOUTH 86 DEGREES 54' 39" EAST A DISTANCE OF 84.09 FEET;

THENCE SOUTH 41 DEGREES 42' 23" EAST A DISTANCE OF 133.87 FEET;

THENCE SOUTH 86 DEGREES 54' 39" EAST A DISTANCE OF 568.90 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT "A"
LEGAL DESCRIPTION

TRACT C:

A PARCEL OF LAND LOCATED IN THE NORTH HALF OF SECTION 8, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, SAID PARCEL BEING A PORTION OF GOVERNMENT LOT 7, SAID SECTION 8, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER, LOT 20, AS SHOWN ON THE RECORD OF SURVEY BY EUGENE H. WELBORN, R.L.S. #1020, FILED IN BOOK 4, AT PAGE 249, KOOTENAI COUNTY RECORDS, FROM WHICH THE CENTER OF SAID SECTION 8 BEARS SOUTH 3 DEGREES 28' 34" WEST, A DISTANCE OF 1759.89 FEET;

THENCE SOUTH 3 DEGREES 28' 34" WEST, ALONG THE EASTERLY BOUNDARY LINE OF LOT 20, AS SHOWN ON SAID RECORD OF SURVEY, A DISTANCE OF 671.01 FEET TO THE SOUTHEAST CORNER OF SAID LOT 20, SAID CORNER BEING THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION;

THENCE SOUTH 86 DEGREES 54' 39" EAST, A DISTANCE OF 580.00 FEET; THENCE SOUTH 16 DEGREES 00' 00" WEST, A DISTANCE OF 831.46 FEET;

THENCE SOUTH 3 DEGREES 51' 04" WEST, A DISTANCE OF 279.05 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF LOFT'S BAY ROAD;

THENCE NORTH 86 DEGREES 49' 26" WEST, LEAVING SAID RIGHT OF WAY, A DISTANCE OF 397.86 FEET TO THE SOUTHEAST CORNER OF LOT 21, AS SHOWN ON THE SAID RECORD OF SURVEY;

THENCE NORTH 3 DEGREES 28' 34" EAST, ALONG THE EASTERLY BOUNDARY LINE, SAID LOT 21, A DISTANCE OF 1088.88 FEET TO THE TRUE POINT OF BEGINNING.

TRACT D THE FOLLOWING 3 PARCELS:

TRACT 1:

THAT PORTION OF GOVERNMENT LOT 8, SECTION 8, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, LYING NORTH OF LOFT'S BAY COUNTY ROAD, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 8;

THENCE SOUTH 86 DEGREES 54' 39" EAST, ALONG THE NORTH LINE THEREOF 225.00 FEET;

THENCE SOUTH 03 DEGREES 28' 34" WEST, 587.97 FEET;

THENCE NORTH 86 DEGREES 54' 39" WEST, 69.31 FEET;

THENCE SOUTH 03 DEGREES 28' 34" WEST, 588.00 FEET TO THE NORTH MARGIN OF

EXHIBIT "A"
LEGAL DESCRIPTION

SAID LOFF'S BAY ROAD;

THENCE NORTH 62 DEGREES 47' 39" WEST, ALONG SAID NORTH MARGIN 115.37 FEET TO THE BEGINNING OF A CURVE TO THE LEFT HAVING A RADIUS OF 290 FEET THROUGH A CENTRAL ANGLE OF 11 DEGREES 00' 10", AN ARC DISTANCE OF 55.69 FEET;

THENCE NORTH 03 DEGREES 37' 03" EAST, ALONG THE WEST LINE OF SAID GOVERNMENT LOT 8, 1111.10 FEET TO THE NORTH LINE THEREOF, AND THE TRUE POINT OF BEGINNING.

TRACT 2:

THAT PORTION OF GOVERNMENT LOT 8, SECTION 8, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, LYING NORTH OF LOFF'S BAY COUNTY ROAD DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 8;

THENCE SOUTH 86 DEGREES 54' 39" EAST, ALONG THE NORTH LINE THEREOF, 225.00 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 86 DEGREES 54' 39" EAST, ALONG SAID NORTH LINE 757.32 FEET;

THENCE SOUTH 23 DEGREES 49' 53" WEST, 628.71 FEET;

THENCE NORTH 86 DEGREES 54' 39" WEST, 538.63 FEET;

THENCE NORTH 03 DEGREES 28' 34" EAST, 587.97 FEET TO SAID NORTH LINE AND THE TRUE POINT OF BEGINNING.

TRACT 3:

THAT PORTION OF GOVERNMENT LOT 8, SECTION 8, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, LYING NORTH OF LOFF'S BAY ROAD.

LESS AND EXCEPT A TRACT OF LAND LOCATED IN GOVERNMENT LOT 8, SECTION 8, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, STATE OF IDAHO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 8;

THENCE SOUTH 3 DEGREES 37' 03" WEST ALONG THE WEST LINE OF SAID GOVERNMENT LOT, A DISTANCE OF 1111.1 FEET TO THE NORTH RIGHT OF WAY OF EXISTING LOFF'S BAY ROAD;

EXHIBIT "A"
LEGAL DESCRIPTION

THENCE 55.69 SOUTHEASTERLY ALONG A CURVE TO THE RIGHT WITH A RADIUS OF 290.0 FEET ON A CHORD BEARING SOUTH 68 DEGREES 17' 44" EAST, 55.60 FEET;

THENCE SOUTH 62 DEGREES 47' 39" EAST ALONG SAID RIGHT OF WAY 115.37 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 3 DEGREES 37' 03" EAST, 588.0 FEET;

THENCE SOUTH 86 DEGREES 54' 39" EAST, 955.4 FEET TO THE INTERSECTION WITH THE NORTH RIGHT OF WAY OF EXISTING COUNTY ROAD;

THENCE SOUTH 42 DEGREES 34' 10" WEST ALONG SAID RIGHT OF WAY 538.6 FEET;

THENCE ALONG SAID RIGHT OF WAY ON A CURVE TO THE RIGHT 161.47 FEET WITH A RADIUS OF 690.0 FEET AND A CENTRAL ANGLE OF 13 DEGREES 24' 29";

THENCE SOUTH 55 DEGREES 58' 39" WEST ALONG SAID RIGHT WAY 107.27 FEET;

THENCE ALONG SAID RIGHT OF WAY ON A CURVE TO THE RIGHT 341.96 FEET WITH A RADIUS OF 320.0 FEET AND A CENTRAL ANGLE OF 61 DEGREES 13' 42";

THENCE NORTH 62 DEGREES 47' 39" WEST ALONG SAID RIGHT OF WAY 100.0 FEET TO THE TRUE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM THAT PORTION OF GOVERNMENT LOT 8, SECTION 8, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, LYING NORTH OF LOFF'S BAY COUNTY ROAD, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 8;

THENCE SOUTH 86 DEGREES 54' 39" EAST, ALONG THE NORTH LINE THEREOF 225.00 FEET;

THENCE SOUTH 03 DEGREES 28' 34" WEST, 587.97 FEET;

THENCE NORTH 86 DEGREES 54' 39" WEST, 69.31 FEET;

THENCE SOUTH 03 DEGREES 28' 34" WEST, 588.00 FEET TO THE NORTH MARGIN OF SAID LOFF'S BAY ROAD;

THENCE NORTH 62 DEGREES 47' 39" WEST, ALONG SAID NORTH MARGIN 115.37 FEET TO THE BEGINNING OF A CURVE TO THE LEFT HAVING A RADIUS OF 290 FEET THROUGH A CENTRAL ANGLE OF 11 DEGREES 00' 10", AN ARC DISTANCE OF 55.69 FEET;

THENCE NORTH 03 DEGREES 37' 03" EAST, ALONG THE WEST LINE OF SAID GOVERNMENT LOT 8, 1111.10 FEET TO THE NORTH LINE THEREOF, AND THE TRUE POINT OF BEGINNING.

EXHIBIT "A"
LEGAL DESCRIPTION

ALSO EXCEPTING THEREFROM THAT PORTION OF GOVERNMENT LOT 8, SECTION 8, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, LYING NORTH OF LOFF'S BAY COUNTY ROAD DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID GOVERNMENT LOT 8;

THENCE SOUTH 86 DEGREES 54' 39" EAST, ALONG THE NORTH LINE THEREOF, 225.00 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 86 DEGREES 54' 39" EAST, ALONG SAID NORTH LINE 757.32 FEET;

THENCE SOUTH 23 DEGREES 49' 53" WEST, 623.71 FEET;

THENCE NORTH 86 DEGREES 54' 39" WEST, 538.63 FEET;

THENCE NORTH 03 DEGREES 28' 34" EAST, 587.97 FEET TO SAID NORTH LINE AND THE TRUE POINT OF BEGINNING.

PARCEL 2:

THE NORTH HALF OF THE SOUTHEAST QUARTER, THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 5, AND GOVERNMENT LOTS 1 AND 2, SECTION 8, ALL IN TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, STATE OF IDAHO.

PARCEL 3:

THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO.

PARCEL 4:

THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO.

PARCEL 5:

LOTS 1, 2 AND 3, THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER, THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER, THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER AND THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 5, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN.

AND

EXHIBIT "A"
LEGAL DESCRIPTION

A PARCEL OF LAND LOCATED IN GOVERNMENT LOT 4, SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST, AND GOVERNMENT LOT 4, SECTION 33, TOWNSHIP 49 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID GOVERNMENT LOT 4, SECTION 4, THE TRUE POINT OF BEGINNING; THENCE

NORTH 00 DEGREES 46' 41" EAST 135.30 FEET; THENCE

SOUTH 87 DEGREES 21' 30" WEST 48.71 FEET; THENCE

NORTH 02 DEGREES 51' 12" WEST 32.07 FEET; THENCE

NORTH 03 DEGREES 13' 21" WEST 10.60 FEET; THENCE

NORTH 02 DEGREES 51' 19" WEST 23.11 FEET; THENCE

NORTH 03 DEGREES 43' 08" WEST 37.65 FEET; THENCE

NORTH 03 DEGREES 46' 01" WEST 51.50 FEET; THENCE

NORTH 03 DEGREES 11' 51" WEST 16.13 FEET; THENCE

NORTH 07 DEGREES 58' 23" WEST 24.73 FEET; THENCE

NORTH 05 DEGREES 22' 53" WEST 23.29 FEET; THENCE

NORTH 06 DEGREES 14' 48" WEST 58.80 FEET; THENCE

NORTH 05 DEGREES 01' 03" WEST 87.73 FEET; THENCE

NORTH 00 DEGREES 16' 11" WEST 39.22 FEET; THENCE

NORTH 18 DEGREES 20' 54" WEST 5.57 FEET; THENCE

NORTH 00 DEGREES 28' 20" WEST 116.01 FEET; THENCE

NORTH 04 DEGREES 23' 45" EAST 125.91 FEET; THENCE

NORTH 03 DEGREES 34' 02" EAST 185.71 FEET; THENCE

NORTH 02 DEGREES 44' 00" EAST 41.99 FEET; THENCE

SOUTH 80 DEGREES 57' 24" EAST 34.12 FEET; THENCE

SOUTH 73 DEGREES 27' 34" EAST 37.42 FEET TO A POINT ON THE EAST LINE OF

EXHIBIT "A"
LEGAL DESCRIPTION

SAID GOVERNMENT LOT 4; THENCE

NORTH 00 DEGREES 40' 02" EAST 30.07 FEET; THENCE

NORTH 01 DEGREES 04' 37" WEST 29.85 FEET; THENCE

NORTH 27 DEGREES 06' 58" EAST 2.29 FEET; THENCE

NORTH 50 DEGREES 44' 36" WEST 73.10 FEET; THENCE

NORTH 60 DEGREES 31' 30" WEST 210.09 FEET TO A POINT ON THE NORTH LINE OF GOVERNMENT LOT 4, SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST; THENCE

NORTH 87 DEGREES 13' 28" WEST 186.38 FEET; THENCE

NORTH 76 DEGREES 32' 21" WEST 72.58 FEET; THENCE

NORTH 66 DEGREES 02' 41" WEST 53.72 FEET; THENCE

NORTH 66 DEGREES 02' 41" WEST 131.40 FEET; THENCE

NORTH 74 DEGREES 06' 45" WEST 97.90 FEET; THENCE

NORTH 86 DEGREES 51' 55" WEST 226.49 FEET; THENCE

NORTH 86 DEGREES 51' 55" WEST 34.91 FEET; THENCE

SOUTH 32 DEGREES 35' 02" WEST 58.34 FEET; THENCE

SOUTH 24 DEGREES 46' 03" EAST 60.41 FEET; THENCE

NORTH 87 DEGREES 13' 28" WEST 311.47 FEET TO THE NORTHWEST CORNER OF GOVERNMENT LOT 4, SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST; THENCE

SOUTH 00 DEGREES 22' 47" WEST 1163.33 FEET; THENCE

SOUTH 00 DEGREES 22' 47" WEST 5.05 FEET TO THE SOUTHWEST CORNER OF SAID GOVERNMENT LOT 4, SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST; THENCE

SOUTH 85 DEGREES 38' 20" EAST 1334.93 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OF THAT PROPERTY SOUTH OF THE EXISTING FOUR-STRAND BARBED WIRE FENCE LINE AS SAID FENCE EXISTED IN 1979 AND STILL EXISTS AT THE TIME OF EXECUTION OF THIS DEED, RUNNING EAST AND WEST ALONG THE SOUTH EDGE OF THE EXISTING ROAD, FORMERLY KNOWN AS COUNTY ROAD 115, IN THE SOUTHERLY PART OF THE PROPERTY DESCRIBED BELOW:

EXHIBIT "A"
LEGAL DESCRIPTION

EAST ONE-HALF OF THE WEST TWO THIRDS OF GOVERNMENT LOT 4, SECTION 33, TOWNSHIP 49 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, COMMONLY KNOWN AS ROCKFORD BAY TRACT 29 AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A FOUNT 2 1/2" ALUMINUM PIPE AND 3" ALUMINUM CAP MARKING THE SOUTHWEST CLOSING CORNER OF SECTION 33;

THENCE, ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 22' 19" EAST, A DISTANCE OF 87.72 FEET TO THE STANDARD CORNER FOR SECTIONS 4 AND 5;

THENCE, CONTINUING ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 13' 28" EAST, A DISTANCE OF 352.88 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE SOUTHWEST CORNER OF THE EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4, SECTION 33 AND THE TRUE POINT OF BEGINNING;

THENCE, ALONG THE WEST LINE OF SAID EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4, SECTION 33, NORTH 00 DEGREES 12' 52" WEST, A DISTANCE OF 104.11 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE INTERSECTION WITH THE AFOREMENTIONED FOUR-STRAND BARBED WIRE FENCE;

THENCE, ALONG SAID FENCE THE FOLLOWING THREE COURSES ALL MARKED WITH SET IRON RODS AND PLS 4194 CAPS:

1. SOUTH 86 DEGREES 51' 55" EAST, A DISTANCE OF 226.49 FEET;
2. SOUTH 74 DEGREES 06' 45" EAST, A DISTANCE OF 97.90 FEET;
3. SOUTH 66 DEGREES 02' 41" EAST, A DISTANCE OF 131.40 FEET TO THE INTERSECTION WITH THE EAST LINE OF SAID EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4;

THENCE, ALONG SAID EAST LINE, SOUTH 00 DEGREES 09' 11" EAST, A DISTANCE OF 32.91 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE INTERSECTION WITH THE SOUTH LINE OF SECTION 33 AND THE SOUTHEAST CORNER OF SAID EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4;

THENCE, ALONG THE SOUTH LINE OF THE EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4 AND THE SOUTH LINE OF SECTION 33, NORTH 87 DEGREES 13' 28" WEST, A DISTANCE OF 440.61 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM ALL OF THE PROPERTY SOUTH OF THE EXISTING FOUR-STRAND BARBED WIRE FENCE LINE AS SAID FENCE EXISTED IN 1979 AND STILL EXISTS AT THE TIME OF EXECUTION OF THIS DEED, RUNNING EAST AND WEST ALONG THE SOUTH EDGE OF THE EXISTING ROAD, FORMERLY KNOWN AS COUNTY ROAD 115, IN THE SOUTHWESTERLY PART OF THE PROPERTY DESCRIBED BELOW:

EXHIBIT "A"
LEGAL DESCRIPTION

EAST ONE THIRD OF GOVERNMENT LOT 4, SECTION 33, TOWNSHIP 49 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A FOUND 2 1/2" ALUMINUM PIPE AND 3" ALUMINUM CAP MARKING THE SOUTHWEST CLOSING CORNER OF SECTION 33;

THENCE, ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 22' 19" EAST, A DISTANCE OF 87.72 FEET TO THE STANDARD CORNER FOR SECTION 4 AND 5;

THENCE, CONTINUING ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 13' 28" EAST, A DISTANCE OF 793.49 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE SOUTHWEST CORNER OF THE EAST 1/3 OF GOVERNMENT LOT 4, SECTION 33 AND THE POINT OF BEGINNING;

THENCE, ALONG THE WEST LINE OF SAID EAST 1/3 OF GOVERNMENT LOT 4, SECTION 33, NORTH 00 DEGREES 09' 11" WEST, A DISTANCE OF 32.91 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE INTERSECTION WITH THE AFOREMENTIONED FOUR STRAND BARBED WIRE FENCE;

THENCE, ALONG SAID FENCE THE FOLLOWING TWO COURSES ALL MARKED WITH SET IRON RODS AND PLS 4194 CAPS:

1. SOUTH 66 DEGREES 02' 41" EAST, A DISTANCE OF 53.72 FEET; THENCE
2. SOUTH 76 DEGREES 32' 21" EAST, A DISTANCE OF 72.58 FEET TO THE INTERSECTION WITH THE SOUTH LINE OF SAID EAST 1/3 OF GOVERNMENT LOT 4;

THENCE, ALONG THE SOUTH LINE OF SAID EAST 1/3 OF GOVERNMENT LOT 4 AND THE SOUTH LINE OF SECTION 33, NORTH 87 DEGREES, 13' 28" WEST, A DISTANCE OF 119.73 FEET TO THE POINT OF BEGINNING.

PARCEL 6. THE FOLLOWING TRACTS:

TRACT A:

A PART OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER, AND GOVERNMENT LOT 2, SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER (CN 1/16 CORNER);

THENCE NORTH 1 DEGREES 08' 28" EAST, 159.98 FEET ALONG THE WEST BOUNDARY OF SAID LOT 2 TO A POINT ON THE CENTERLINE OF LOFFS BAY ROAD;

THENCE TRAVERSING SAID CENTERLINE AS FOLLOWS:

EXHIBIT "A"
LEGAL DESCRIPTION

SOUTH 58 DEGREES 36' 55" EAST, 49.07 FEET;

THENCE 332.38 FEET ALONG THE ARC OF A 335.58 FOOT RADIUS CURVE RIGHT, SAID CURVE HAVING A CHORD BEARING SOUTH 30 DEGREES 14' 24" EAST, 318.96 FEET;

THENCE SOUTH 1 DEGREES 51' 53" EAST, 328.02 FEET;

THENCE SOUTH 2 DEGREES 28' 04" WEST, 104.42 FEET;

THENCE SOUTH 12 DEGREES 40' 51" WEST, 42.73 FEET;

THENCE SOUTH 21 DEGREES 56' 11" WEST, 51.81 FEET;

THENCE SOUTH 31 DEGREES 00' 18" WEST, 99.74 FEET;

THENCE SOUTH 32 DEGREES 35' 22" WEST, 104.42 FEET;

THENCE SOUTH 36 DEGREES 33' 02" WEST, 100.94 FEET;

THENCE SOUTH 42 DEGREES 15' 53" WEST, 51.24 FEET;

THENCE NORTH 1 DEGREES 08' 28" EAST, AND LEAVING SAID CENTERLINE 955.75 FEET ALONG THE WEST BOUNDARY OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER TO THE POINT OF BEGINNING.

EXCEPT ANY PORTION LYING IN LOFF'S BAY ROAD.

TRACT B:

A PARCEL OF LAND IN GOVERNMENT LOT 3, SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, AND FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID GOVERNMENT LOT 3, SECTION 4;

THENCE NORTH 00 DEGREES 46' 05" EAST, ALONG THE WEST LINE OF SAID GOVERNMENT LOT 3, A DISTANCE OF 135.57 FEET;

THENCE NORTH 89 DEGREES 12' 07" EAST, A DISTANCE OF 312.12 FEET;

THENCE NORTH 89 DEGREES 47' 56" EAST, A DISTANCE OF 321.36 FEET;

THENCE NORTH 89 DEGREES 06' 35" EAST, A DISTANCE OF 325.48 FEET;

THENCE NORTH 82 DEGREES 25' 36" EAST, A DISTANCE OF 170.38 FEET;

THENCE SOUTH 84 DEGREES 22' 44" EAST, A DISTANCE OF 128.59 FEET;

EXHIBIT "A"
LEGAL DESCRIPTION

THENCE NORTH 87 DEGREES 27' 56" EAST, A DISTANCE OF 78.74 FEET TO THE INTERSECTION WITH THE WEST LINE OF SAID GOVERNMENT LOT 2;

THENCE SOUTH 01 DEGREES 08' 46" WEST, A DISTANCE OF 260.57 FEET TO THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN;

THENCE NORTH 85 DEGREES 39' 49" WEST, 1334.86 FEET TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH ONE QUARTER CORNER OF SAID SECTION 4;

THENCE SOUTH 01 DEGREES 57' 14" WEST, ALONG THE EAST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 4, 980.93 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION;

THENCE CONTINUE SOUTH 01 DEGREES 57' 14" WEST, ALONG SAID EAST LINE, 65.86 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF LOFFS BAY ROAD;

THENCE NORTH 57 DEGREES 48' 19" WEST, ALONG SAID NORTHERLY RIGHT OF WAY LINE 125.33 FEET;

THENCE SOUTH 83 DEGREES 34' 01" EAST, 29.69 FEET;

THENCE NORTH 83 DEGREES 16' 39" EAST, 78.83 FEET TO THE POINT OF BEGINNING.

ALL LYING SOUTH OF THE SOUTH LINE OF THE PLAT OF MCLEAN MEADOWS RECORDED IN BOOK "G" OF PLATS PAGE 493, KOOTENAI COUNTY, IDAHO.

TRACT C:

THE NORTH HALF OF THE SOUTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER AND THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER, ALL IN SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO.

AND

THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, STATE OF IDAHO.

EXHIBIT "A"
LEGAL DESCRIPTION

EXCEPTING THEREFROM THAT PORTION CONVEYED TO BABBITT LOGGING, INC. BY WARRANTY DEED RECORDED JULY 1, 1997 AS INSTRUMENT NO. 1495927, DESCRIBED AS FOLLOWS:

THAT PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, STATE OF IDAHO, LYING EAST OF LOFF'S BAY COUNTY ROAD.

TOGETHER WITH THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER, SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, STATE OF IDAHO, LYING EAST OF LOFF'S BAY COUNTY ROAD.

PARCEL 7:

THE EAST 1/3 OF GOVERNMENT LOT 4, SECTION 33, TOWNSHIP 49 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO.

LESS ALL OF THAT PROPERTY SOUTH OF THE EXISTING FOUR-STRAND BARBED WIRE FENCE LINE AS SAID FENCE EXISTED IN 1979 AND STILL EXISTS AT THE TIME OF EXECUTION OF THIS DEED, RUNNING EAST AND WEST ALONG THE SOUTH EDGE OF THE EXISTING ROAD, FORMERLY KNOWN AS COUNTY ROAD 115, IN THE SOUTHWESTERLY PART OF THE PROPERTY DESCRIBED BELOW:

EAST 1/3 OF GOVERNMENT LOT 4, SECTION 33, TOWNSHIP 49 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A FOUND 2 1/2 INCH ALUMINUM PIPE AND 3 INCH ALUMINUM CAP MARKING THE SOUTHWEST CLOSING CORNER OF SECTION 33;

THENCE ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 22'19" EAST, A DISTANCE OF 87.72 FEET TO THE STANDARD CORNER FOR SECTIONS 4 AND 5;

THENCE CONTINUING ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 13'28" EAST, A DISTANCE OF 793.49 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE SOUTHWEST CORNER OF THE EAST 1/3 OF GOVERNMENT LOT 4, SECTION 33 AND THE POINT OF BEGINNING;

THENCE ALONG THE WEST LINE OF THE EAST 1/3 OF GOVERNMENT LOT 4, SECTION 33, NORTH 00 DEGREES 09'11" WEST, A DISTANCE OF 32.91 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE INTERSECTION WITH THE AFOREMENTIONED FOUR-STRAND BARBED WIRE FENCE;

THENCE ALONG SAID FENCE THE FOLLOWING TWO COURSES ALL MARKED WITH SET IRON RODS AND PLS 4194 CAPS;

- 1) SOUTH 66 DEGREES 02'41" EAST, A DISTANCE OF 53.72 FEET;

EXHIBIT "A"
LEGAL DESCRIPTION

2) THENCE SOUTH 76 DEGREES 32'21" EAST, A DISTANCE OF 72.58 FEET TO THE INTERSECTION WITH THE SOUTH LINE OF SAID EAST 1/3 OF GOVERNMENT LOT 4;

THENCE ALONG THE SOUTH LINE OF SAID EAST 1/3 OF GOVERNMENT LOT 4 AND THE SOUTH LINE OF SECTION 33, NORTH 87 DEGREES 13'28" WEST, A DISTANCE OF 199.73 FEET TO THE POINT OF BEGINNING.

PARCEL 8:

ALL OF THAT PORTION OF GOVERNMENT LOT 4, SECTION 4, LYING NORTHEASTERLY OF THE EXISTING ROADWAY, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A FOUND 1/2 INCH IRON ROD AND PLS 3451 CAP MARKING THE NORTHEAST CORNER OF GOVERNMENT LOT 4, SECTION 4, TOWNSHIP 48 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO;

THENCE ALONG THE EAST LINE OF SAID GOVERNMENT LOT 4, SECTION 4, SOUTH 00 DEGREES 46'41" WEST, A DISTANCE OF 137.94 FEET TO A SET IRON ROD AND PLS 4194 CAP ON THE NORTHEASTERLY RIGHT OF WAY OF COUNTY ROAD NO. 115 BELLGROVE-STINSON ROAD;

THENCE ALONG THE NORTHEASTERLY RIGHT OF WAY OF SAID ROAD THE FOLLOWING 2 COURSES, ALL MARKED BY IRON RODS AND PLS 4194 CAPS:

1) NORTH 50 DEGREES 44'36" WEST, A DISTANCE OF 73.10 FEET;

2) THENCE NORTH 60 DEGREES 31'30" WEST, A DISTANCE OF 210.09 FEET TO THE INTERSECTION WITH THE NORTH LINE OF THE AFOREMENTIONED GOVERNMENT LOT 4, SECTION 4;

THENCE ALONG SAID NORTH LINE OF GOVERNMENT LOT 4, SECTION 4, SOUTH 87 DEGREES 13'28" EAST, A DISTANCE OF 241.66 FEET TO THE POINT OF BEGINNING.

PARCEL 9:

ALL OF THAT PROPERTY SOUTH OF THE EXISTING FOUR-STRAND BARBED WIRE FENCE LINE AS SAID FENCE EXISTED IN 1979 AND STILL EXISTS AT THE TIME OF EXECUTION OF THIS DEED, RUNNING EAST AND WEST ALONG THE SOUTH EDGE OF THE EXISTING ROAD, FORMERLY KNOWN AS COUNTY ROAD 115, IN THE SOUTHERLY PART OF THE PROPERTY DESCRIBED BELOW:

EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4, SECTION 33, TOWNSHIP 49 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, COMMONLY KNOWN AS ROCKFORD BAY TRACT 29 AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

EXHIBIT "A"
LEGAL DESCRIPTION

COMMENCING AT A POUND 2 1/2 INCH ALUMINUM PIPE AND 3 INCH ALUMINUM CAP MARKING THE SOUTHWEST CLOSING CORNER OF SECTION 33;

THENCE ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 22'19" EAST, A DISTANCE OF 87.72 FEET TO THE STANDARD CORNER FOR SECTIONS 4 AND 5;

THENCE CONTINUING ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 13'28" EAST, A DISTANCE OF 352.88 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE SOUTHWEST CORNER OF THE EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4, SECTION 33 AND THE POINT OF BEGINNING;

THENCE ALONG THE WEST LINE OF SAID EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4, SECTION 33, NORTH 00 DEGREES 12'52" WEST, A DISTANCE OF 104.11 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE INTERSECTION WITH THE AFOREMENTIONED FOUR-STRAND BARBED WIRE FENCE;

THENCE ALONG SAID FENCE THE FOLLOWING 3 COURSES ALL MARKED WITH SET IRON RODS AND PLS 4194 CAPS:

1) SOUTH 86 DEGREES 51'55" EAST, A DISTANCE OF 226.49 FEET;

2) SOUTH 74 DEGREES 06'45" EAST, A DISTANCE OF 97.90 FEET;

3) SOUTH 66 DEGREES 02'41" EAST, A DISTANCE OF 131.40 FEET TO THE INTERSECTION WITH THE EAST LINE OF SAID EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4;

THENCE ALONG SAID EAST LINE, SOUTH 00 DEGREES 09'11" EAST, A DISTANCE OF 32.91 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE INTERSECTION WITH THE SOUTH LINE OF SECTION 33 AND THE SOUTHEAST CORNER OF SAID EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4;

THENCE ALONG THE SOUTH LINE OF SAID EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4 AND THE SOUTH LINE OF SECTION 33, NORTH 87 DEGREES 13'28" WEST, A DISTANCE OF 440.61 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIPTION IS THE SAME PROPERTY DESCRIBED IN QUIT CLAIM DEED INSTRUMENT NUMBER 1159066.

PARCEL 10:

THE EAST HALF OF THE WEST 2/3 OF GOVERNMENT LOT 4, SECTION 33, TOWNSHIP 49 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO.

LESS:

EXHIBIT "A"
LEGAL DESCRIPTION

ALL OF THAT PROPERTY SOUTH OF THE EXISTING FOUR-STRAND BARBED WIRE FENCE LINE AS SAID FENCE EXISTED IN 1979 AND STILL EXISTS AT THE TIME OF EXECUTION OF THIS DEED, RUNNING EAST AND WEST ALONG THE SOUTH EDGE OF THE EXISTING ROAD, FORMERLY KNOWN AS COUNTY ROAD 115, IN THE SOUTHERLY PART OF THE PROPERTY DESCRIBED BELOW:

EAST 1/2 OF THE WEST 2/3 OF GOVERNMENT LOT 4, SECTION 33, TOWNSHIP 49 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO, COMMONLY KNOWN AS ROCKFORD BAY TRACT 29 AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A FOUND 2 1/2 INCH ALUMINUM PIPE AND 3 INCH ALUMINUM CAP MARKING THE SOUTHWEST CLOSING CORNER OF SECTION 33;

THENCE ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 22'19" EAST, A DISTANCE OF 87.72 FEET TO THE STANDARD CORNER OF SECTIONS 4 AND 5;

THENCE CONTINUING ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 13'28" EAST, A DISTANCE OF 352.83 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE SOUTHWEST CORNER OF THE EAST HALF OF THE WEST 2/3 OF GOVERNMENT LOT 4, SECTION 33 AND THE POINT OF BEGINNING;

THENCE ALONG THE WEST LINE OF SAID EAST HALF OF THE WEST 2/3 OF GOVERNMENT LOT 4, SECTION 33, NORTH 00 DEGREES 12'52" WEST, A DISTANCE OF 104.11 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE INTERSECTION WITH THE AFOREMENTIONED FOUR-STRAND BARBED WIRE FENCE;

THENCE ALONG SAID FENCE THE FOLLOWING 3 COURSES ALL MARKED WITH SET IRON RODS AND PLS 4194 CAPS:

- 1) SOUTH 86 DEGREES 51'55" EAST, A DISTANCE OF 226.49 FEET;
- 2) SOUTH 74 DEGREES 06'45" EAST, A DISTANCE OF 97.90 FEET;
- 3) SOUTH 66 DEGREES 02'41" EAST, A DISTANCE OF 131.40 FEET TO THE INTERSECTION WITH THE EAST LINE OF SAID EAST HALF OF THE WEST 2/3 OF GOVERNMENT LOT 4;

THENCE ALONG SAID EAST LINE, SOUTH 00 DEGREES 09'11" EAST, A DISTANCE OF 32.91 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE INTERSECTION WITH THE SOUTH LINE OF SECTION 33 AND THE SOUTHEAST CORNER OF SAID EAST HALF OF THE WEST 2/3 OF GOVERNMENT LOT 4;

THENCE ALONG THE SOUTH LINE OF SAID EAST HALF OF THE WEST 2/3 OF GOVERNMENT LOT 4 AND THE SOUTH LINE OF SECTION 33, NORTH 87 DEGREES 13'28" WEST, A DISTANCE OF 440.61 FEET TO THE POINT OF BEGINNING.

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 11:

ALL OF THAT PROPERTY SOUTH OF THE EXISTING FOUR-STRAND BARBED WIRE FENCE LINE AS SAID FENCE EXISTED IN 1979 AND STILL EXISTS AT THE TIME OF EXECUTION OF THIS DEED, RUNNING EAST AND WEST ALONG THE SOUTH EDGE OF THE EXISTING ROAD, FORMERLY KNOWN AS COUNTY ROAD 115, IN THE SOUTHWESTERLY PART OF THE PROPERTY DESCRIBED BELOW:

EAST 1/3 OF GOVERNMENT LOT 4, SECTION 33, TOWNSHIP 49 NORTH, RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A FOUND 2 1/2 INCH ALUMINUM PIPE AND 3 INCH ALUMINUM CAP MARKING THE SOUTHWEST CLOSING CORNER OF SECTION 33;

THENCE ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 22'19" EAST, A DISTANCE OF 87.72 FEET TO THE STANDARD CORNER OF SECTIONS 4 AND 5;

THENCE CONTINUING ALONG THE SOUTH BOUNDARY OF SECTION 33, SOUTH 87 DEGREES 13'28" EAST, A DISTANCE OF 793.49 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE SOUTHWEST CORNER OF THE EAST 1/3 OF GOVERNMENT LOT 4, SECTION 33 AND THE POINT OF BEGINNING;

THENCE ALONG THE WEST LINE OF THE EAST 1/3 OF GOVERNMENT LOT 4, SECTION 33, NORTH 00 DEGREES 09'11" WEST, A DISTANCE OF 32.91 FEET TO A SET IRON ROD AND PLS 4194 CAP MARKING THE INTERSECTION WITH THE AFOREMENTIONED FOUR-STRAND BARBED WIRE FENCE;

THENCE ALONG SAID FENCE THE FOLLOWING 2 COURSES ALL MARKED WITH SET IRON RODS AND PLS 4194 CAPS:

- 1) SOUTH 66 DEGREES 02'41" EAST, A DISTANCE OF 53.72 FEET;
- 2) THENCE SOUTH 76 DEGREES 32'21" EAST, A DISTANCE OF 72.58 FEET TO THE INTERSECTION WITH THE SOUTH LINE OF SAID EAST 1/3 OF GOVERNMENT LOT 4;

THENCE ALONG THE SOUTH LINE OF SAID EAST 1/3 OF GOVERNMENT LOT 4 AND THE SOUTH LINE OF SECTION 33, NORTH 87 DEGREES 13'28" WEST, A DISTANCE OF 119.73 FEET TO THE POINT OF BEGINNING.

EXHIBIT 11



EXHIBIT 12



License Confirmation

Record Inquiry - Browsing

Bureau	PWC	Public Works Contractors Licensing
License Type	C	C - Contractor
License Number	14794	Status Active, Expires 01/31/07
License Issued	12/26/2000	Method UnAssigned 000000
Class		
Type(s) of Construction	AAA-4(18100)	

Company Name Wadsworth Golf Const. Co. of SW

Address 1 600 N 195th Ave

City/State/Zip BUCKEYE AZ 85326

Phone Number (623) 853 - 9100

The information on this website is provided for your convenience, if you have any questions or cannot find the license information that you are seeking, please contact the Division of Building Safety - 1090 E. Watertower St., Meridian, ID 83642. Ph:(208) 334-3950

EXHIBIT 13

2118

State of Idaho

Bureau Of Occupational Licenses

Public Record Information (Detail)

Public Record

Business Name: WADSWORTH GOLF CONST CO OF THE SOUTHWEST
Owner: STEPHEN HARRELL, MARK SLUGOCKI, JIM BANNON, BRUCE CHUI
Profession: IDAHO CONTRACTORS BOARD
Type: CONTRACTING BUSINESS
Number: RCE - 19920
Address Of Record:
City/State/Zip: BUCKEYE AZ 85326
Country: USA
Business Phone: (623) 853 - 9100
Original Date of Issue: 1/9/2007
Registered/Licensed By:
License Status: Current
Discipline:
Expiration Date: 1/9/2011

Disciplinary Action

None

NOTE: This document is a copy of the electronic record of the person named above and constitutes a verification of that record. If official certification of this record is required, a written request must be submitted together with a \$10.00 fee to the Bureau of Occupational Licenses, 700 West State Street, PO Box 83720, Boise, Idaho 83720-0063.

2119